

**Economic and Social Commission for Asia and the Pacific****Seventieth session**

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**Special Body on Least Developed, Landlocked Developing
and Pacific Island Developing Countries: development
issues relevant to landlocked developing countries****Summary of the status of implementation of the
Vientiane Consensus****Note by the secretariat*****Summary*

Landlocked developing countries in the Asia-Pacific region continue to face major challenges and development gaps despite significant progress made in several areas of the Almaty Programme of Action. Lack of territorial access to the sea, remoteness and high transit costs continue to impose serious constraints on their development. Additional border crossings substantially increase total expenses for transport services. The economic performance of landlocked developing countries reflects direct and indirect impacts of their geographical situation. Many landlocked developing countries are among the poorest countries in the world and their economies are typically heavily dependent on a very limited number of primary resources.

The Commission in its resolution 69/2 on the final review of the implementation of the Almaty Programme of Action in the Asia-Pacific region requested the countries of the region and international and regional organizations to endorse the Vientiane Consensus and urgently consider the implementation, as appropriate, of the recommendations contained therein.

The present document provides a review of the progress made by Asia-Pacific landlocked developing countries in the priority areas of the Vientiane Consensus since the sixty-ninth session of the Commission. It shows that, under various bilateral, multilateral and self-funded arrangements, landlocked developing countries have made considerable efforts to improve transport and trade connectivity with their neighbours, as well as to enhance their own domestic transport connectivity by improving and upgrading their transport networks. The present document also contains some of the challenges encountered, as well as a summary of activities carried out by ESCAP in implementing the Vientiane Consensus.

* E/ESCAP/70/L.1/Rev.1.

** The late submission of the document is due to the need to incorporate the latest economic and social data for landlocked developing countries.

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I. Introduction

1. For most of the landlocked developing countries, in addition to fluctuating growth and dependence on a limited number of commodities for export earnings, socioeconomic development remains constrained by lack of territorial access to the sea, as well as due to remoteness and isolation from the world markets. Additional border crossings substantially increase transport costs, limiting potential exports and reducing competitiveness and profitability. Import prices also tend to be high due to inflated transit transport costs.

2. One of the major United Nations mandates to assist landlocked developing countries is the Almaty Programme of Action, which was specifically designed to address their special needs through: (a) establishing a new global framework for developing efficient transit transport systems in landlocked and transit developing countries, taking into account the interests of both landlocked and transit developing countries; and (b) promoting trade for development.¹ In the Asia-Pacific region, ESCAP has been working closely with other United Nations agencies and development partners to assist these countries through the implementation of that global mandate.

3. In this context, ESCAP and the Government of the Lao People's Democratic Republic, in collaboration with the Economic Commission for Europe (ECE) and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States organized the Asian European Final Regional Review of the Almaty Programme of Action in Vientiane on 5 and 7 March 2013. In the outcome document, the Vientiane Consensus, several key broad priorities for the global review were identified, including: (a) a stable macroeconomic framework, trade and investment, mobilization of domestic resources, promoting foreign private investment, public-private partnerships (PPPs) for closing infrastructure gaps and building productive capacities; (b) deepening regional economic integration as an enabler to tap expanding markets in

¹ *Report of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, Almaty, Kazakhstan, 28 and 29 August 2003 (A/CONF.202/3), annex I.*

neighbouring countries for their products and services; (c) diversifying their export base; (d) job-creating and inequality-reducing growth; (e) strengthening education and vocational training; (f) improving nutrition and health; and (g) promoting gender empowerment and social protection.²

4. The Commission in its resolution 69/2 on the final review of the implementation of the Almaty Programme of Action in the Asia-Pacific region requested the countries of the region and international and regional organizations to endorse the Vientiane Consensus and urgently consider the implementation, as appropriate, of its recommendations. It also requested the Executive Secretary to assist Asia-Pacific landlocked developing countries, in cooperation with development partners and other international entities and taking into account their respective mandates, in implementing the recommendations of the Vientiane Consensus.

II. Asia-Pacific landlocked developing countries: overview of challenges and prospects

5. Landlocked developing countries in general have witnessed significant fluctuations in economic growth and export performance in recent years emanating mainly from the global economic crisis and the knock-on effects of sluggish growth in advanced countries (see table). Despite notable but uneven progress, landlocked developing countries continue to face difficulties in carrying out global trade, thus preventing them from reaping the benefits of globalization and rising intraregional trade and foreign direct investment (FDI) flows.

6. The trade structure of most of these countries is characterized by export baskets that are highly dominated by primary commodities. Landlocked developing countries have become more exposed to commodity-related risks compared with a decade ago making their economies more vulnerable to declines in commodity prices in the world market.³ Their import baskets, on the other hand, are dominated by manufactured goods, indicating the need for creating a diversified manufacturing base in most of these countries, an area in which regional cooperation in trade and FDI can play a critical role.

7. Landlocked developing countries need to work towards creating favourable market access conditions for all export products, including through the reduction or elimination of arbitrary or unjustified non-tariff barriers and other trade-distorting measures. Regional cooperation, including through preferential trade agreements and other arrangements, should be promoted to facilitate their integration into the world economy by increasing the size of markets, improving their competitiveness, enhancing regional connectivity and other trade promoting measures. Efforts are also needed to address supply-side constraints by enhancing productive capacities and reducing constraints on export development, as well as by building and diversifying their export base.

² See E/ESCAP/69/1, annex.

³ See *Economic and Social Survey of Asia and the Pacific 2012: Pursuing Shared Prosperity in an Era of Turbulence and High Commodity Prices* (United Nations publication, Sales No. E.12.II.F.9).

Table
GDP growth and export growth in SPECA countries

	Real GDP growth rate (annual, %)						Merchandise export growth rate (%)			
	2008	2009	2010	2011	2012	2013	2008	2009	2010	2011
Afghanistan	3.4	22.5	8.4	5.7	6.9	6.5	19.9	-25.9	...	...
Armenia	6.9	-14.2	2.6	4.7	7.2	5.5	-8.3	-34.0	49.2	20.7
Azerbaijan	10.8	9.3	5.0	0.1	2.2	1.5	43.8	-31.0	25.5	33.6
Bhutan	4.7	6.7	11.8	11.7	8.5	8.4	4.4	-13.8	5.2	...
Kazakhstan	3.3	1.2	7.0	7.5	5.0	6.0	49.1	-39.3	37.8	-0.8
Kyrgyzstan	8.4	2.9	-1.4	5.7	-0.9	7.0	38.1	-8.0	4.9	30.5
Lao People's Democratic Republic	7.8	7.6	7.9	8.3	8.3	8.1	21.5	-5.5	45.6	31.2
Mongolia	8.9	-1.3	6.4	17.3	12.3	15.5	30.1	-25.6	49.2	30.7
Nepal	5.8	3.8	4.0	3.8	4.5	4.0	8.2	-3.4	-7.3	9.5
Tajikistan	7.9	3.4	6.5	7.4	7.5	6.5	-4.2	-28.2	18.4	17.0
Turkmenistan	10.5	6.1	9.2	14.7	11.1	8.0	29.3	-24.1	17.9	36.5
Uzbekistan	9.0	8.1	8.5	8.3	8.1	7.0	28.3	4.2	11.9	14.9

Source: *Economic and Social Survey of Asia and the Pacific 2012 and 2013*.

8. Landlocked developing countries need to take effective measures to integrate trade and trade capacity-building policies into their national development strategies. In this regard, their efforts should also be directed towards strengthening human, institutional and regulatory capacities in trade policy and trade negotiations in such areas as market entry and access, tariffs, customs, competition, investment and technology, and regional integration.

9. There is also a need to reinforce assistance to these countries to enable them to participate meaningfully in different regional trading arrangements. These countries require trade-related technical assistance and other types of support in such areas as harmonization of customs procedures, development of competition policies and laws, harmonization of certification and standardization requirements, identification of markets, development of trade-supportive infrastructure and establishment of institutions to strengthen supply-side capacities.

10. With respect to transport development, important issues facing the countries are integrating transport modes to optimize efficiency, facilitating transport movements across borders, devising creative approaches for financing infrastructure investment and upgrading mobility for sustainable and inclusive development.

11. Landlocked developing countries need to take up measures to broaden their economic base, including, among them, ones that promote food, water and energy security and enhance the benefits derived from their resource base, and enable implementation of sector- and commodity-specific policies aimed at boosting productivity and diversification in order to increase value addition. Along with strategic use of commodity-specific measures, these countries need to address specific limitations. Weak infrastructure, lack of productive capacities, inability to meet product specifications and

increasingly stringent requirements in terms of quality, safety, and environmental and similar issues deter their ability to effectively expand productive capacities and diversify production.

12. In order to increase productive capacities and move up the value chain, these countries need to undertake several measures depending on specific country contexts. Some examples of these measures are strengthening national capacities to undertake analysis of competitive potential at the product and subsector levels, establishing the quality and conformity assessment infrastructure required to increase exports, working in productive sectors with high export potential to upgrade product and production quality and comply with standards and regulations so that enterprises can export successfully and developing troubleshooting mechanism in cases in which export products encounter technical barriers.

13. Furthermore, the development of productive capacities in landlocked developing countries require sustained expansion in a number of critical areas such as investments necessary to build domestic capital (covering physical, human and other forms of capital), structural transformations and building capacities of the domestic private sector to transform productive structures into higher value-added activities that involve more skilled and technology-intensive production. Such a process would lead to the development of new activities and spur economic diversification away from traditional sectors. The relevant policies must also be directed to establish a strong link between growth, employment creation and the development of productive capacities that are necessary to ensure sustainable and inclusive development in the region.

14. Despite the obvious need for trade capacity-building services and trade-related infrastructure, the private sector in most of these countries is not equipped to furnish the relevant services due to high cost and other constraints. In this context, international assistance and regional cooperation can play an important role in eliminating barriers to trade by strengthening essential public sector capacities.

III. Implementation of the Vientiane Consensus

A. Progress made

15. Under various bilateral, multilateral and self-funded arrangements, landlocked developing countries have made considerable progress in improving transport connectivity with neighbouring countries, as well as in enhancing domestic transport connectivity by improving and upgrading their transport networks. A number of projects have been planned or implemented involving the Asian Highway and Trans-Asian Railway routes and other routes of international importance with a focus on improving transport connectivity between countries. Some examples are as follows:

(a) In Azerbaijan, several road projects involving new construction, rehabilitation and upgrading along AH-5 (East-West Baku-Alat-Qazakh-Georgia Republic state border) and AH-81 (Hajigabul-Bahramtapa-Horadiz-Minjivan-Armenia border section Hajigabul-Bahramtapa) are being undertaken;

(b) In Bhutan, a major initiative has been taken to construct four missing road links comprising 345 km, namely Lhamoizingkha to Sarpang (88 km), Gelephu to Panbang (97 km), Dewathang to Nganglam (75 km) and Samrang to Jomotsangkha (85 km), during the country's 11th Five Year Plan (2013-2018). Of those four links, the Asian Development Bank (ADB) is

expected to extend assistance for the construction of the Dewathang-Nganglam segment. Project preparations for that link have already been completed. With technical assistance provided by ADB, a detailed survey is now being conducted and the project design is being set;

(c) The Government of India is implementing the Integrated Check Post (ICP) project, which is aimed at upgrading infrastructure in order to speed up procedures and processes at border crossings. Under the project, ICPs will be set up at four locations on the India-Nepal border. Regulatory agencies, such as immigration, customs and border security, together with support facilities, such as parking, warehousing, banking, and hotels, will be located at each ICP. In addition, ICP facilities will be developed on the Nepalese side of the border to enable optimum utilization of the posts;

(d) The Government of Kazakhstan has placed high importance on improving its main road corridor, the Central Asia Regional Economic Cooperation (CAREC) corridor 1b, which links Western Europe with the western part of China and extends 2,787 kilometres from Khorgos, at the border with China, to the border with the Russian Federation north of Aktobe. Separate projects within the CAREC initiative to upgrade the corridor are being implemented. In one such project, \$1.26 billion has been allocated for the development of the Almaty — Khorgos road section. This project is expected to result in increased transport efficiency along the Western Europe — Western China Road Corridor within Almaty Oblast. Another project entails the upgrading of 1,065 km of the road corridor within South Kazakhstan and Kyzylorda Oblasts;

(e) A number of joint road projects has been undertaken to improve connectivity among Cambodia, the Lao People's Democratic Republic and Thailand;

(f) In Mongolia, a number of transport projects have been implemented to improve domestic, as well as cross-border connectivity with neighbouring countries. Major ongoing road projects are the construction of roads along AH-3 and AH-4 of the Asian road networks and the Millennium road, which aligns with AH-32. The Government of Mongolia has approved a midterm programme, which includes the construction of 5,572 km of roads connecting provincial centres with the capital city and the closest border entry points, and the construction of 990 km of highway along the AH-3 route;

(g) In Nepal, a container depot at Birgunj is connected to the Indian railways network, mainly to service international traffic. Another depot is being set up at Kakarbhitta to facilitate trade with countries located in the eastern part of the South Asia subregion. In addition, the World Bank is providing a \$101 million loan for the upgrading of the Narayanghat-Mugling section along AH-42 in Nepal. The feasibility study for the project has already been completed. The country is also in the process of upgrading another 40-km section along AH-2;

(h) The Navoi inland container depot in Uzbekistan now serves as a subregional air hub with rail links to Central Asia and Afghanistan;

(i) In Tajikistan, a number of road projects has been implemented to improve domestic routes, as well as to enhance connectivity with neighbouring countries. A total of 1,650 km of highways have been constructed or upgraded, improving transport between Dushanbe and border points with China, Kyrgyzstan and Uzbekistan. Under the development frameworks of the Asian Highway, CAREC, the Eurasian Economic Community and the Transport Corridor Europe Caucasus Asia, the Government of Tajikistan has taken an initiative to implement a number of

road projects that are scheduled to be completed by 2025, including three Asian Highway routes, namely AH-7, AH-65 and AH-66.

16. As sustainable development is at the centre of the global development agenda for the post-2015 period, member countries have undertaken several initiatives to develop national master plans that incorporate sustainable transport policies in recent years. One example is planning by the Government of Nepal to develop, with assistance from the United Nations Centre for Regional Development, an environmentally sustainable transport strategy covering the period 2015-2040.⁴

17. In 2013, after more than nine years of negotiations, members of the World Trade Organization (WTO) reached consensus on a trade facilitation agreement⁵ at the ninth WTO Ministerial Conference, which was held in Bali, Indonesia, from 3 to 6 December 2013, as part of a wider "Bali Package". The final agreement contains provisions for more rapid and efficient customs procedures through effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues, including issues related to transit. It also contains provisions for technical assistance and capacity-building in this area.

18. Tangible progress in trade facilitation has been made by the landlocked developing countries in the region. Many of the countries, including Armenia, Azerbaijan, Bhutan, Kazakhstan, the Lao People's Democratic Republic, Mongolia, Nepal, and Tajikistan, have reduced the time and the number of documents required to complete international trade transactions. For example, the time required to process exports in the Lao People's Democratic Republic was reduced from 66 days in 2006 to 26 days in 2012, while in Azerbaijan it was cut from 69 days to 38 days. Within this group of countries, Azerbaijan and Kyrgyzstan experienced the highest reduction in the number of documents required to process imports, which for both of them was 8 documents from 18 in 2006 to 10 in 2012.⁶

19. Surveys on the implementation of trade facilitation measures conducted by ESCAP in 2012 and 2013 revealed that landlocked developing countries had undertaken the following activities related to trade facilitation measures:

(a) Afghanistan: The Export Promotion Agency of Afghanistan (EPAA), the Afghanistan Chamber of Commerce and Industries (ACCI) and the Ministry of Commerce and Industries have become active in trade facilitation;

(b) Armenia: As a member of the World Customs Organization, the country became a Contracting Party to the International Convention on the Harmonized Commodity Description and Coding System in 2009;

(c) Azerbaijan: The State Customs Committee was selected to serve as a leading agency for the implementation of a single window facility for border operations by a decree of the President of the Republic of Azerbaijan in 2008. Subsequently, single window facilities have been in operation at the customs border stations since 2009;

⁴ See E/ESCAP/70/12.

⁵ Agreement on Trade Facilitation (WTO Ministerial Decision of 7 December 2013) (WT/MIN(13)/36-WT/L/911).

⁶ World Bank Doing Business database. Available from www.doingbusiness.org/.

(d) Bhutan: The implementation of the Bhutan Automated Customs System has led to speedy clearance of goods at entry points. The system serves as the database for all exports and imports;

(e) Kazakhstan: The Kazakhstan Customs Authority has implemented new initiatives to speed up the customs clearance process, with the most notable ones being the introduction of electronic declarations and the revitalization of the customs management information system. The Authority is also considering the establishment of a single window facility for simplifying trade procedures;

(f) Kyrgyzstan: Concrete progress has been made in implementing a single window system. The State enterprise "Single Window" Center for Foreign Trade under the Ministry of Economy has been set up to develop a national single window system;

(g) Lao People's Democratic Republic: The Ministry of Industry and Commerce has prepared the Trade Facilitation Strategic Plan (2011-2015), and a national trade portal has also been launched. An E-Customs Automated System for Customs Data (ASYCUDA) is being set up at one main border post;

(h) Mongolia: A master plan on a national single window was endorsed by the Government. A standing committee based the principle of PPP has been set up to further promote and facilitate the development of the facility;

(i) Nepal: ASYCUDA is already being used or in the process of being installed in 13 customs offices;

(j) Tajikistan: Initiatives are being undertaken to prepare for the development of a national single window system;

(k) Turkmenistan: Became a partner in the ADB-supported CAREC Programme in 2010, which is an important step for the country in its effort to facilitate trade with neighbouring countries;

(l) Uzbekistan: A communiqué on an authorized economic operator is being drafted. The country has started preparation work on the development of a national single window.

B. Challenges encountered

20. While progress has been made in the development and upgrading of the Asian Highway network in landlocked developing countries, a large part of it in some of those countries requires considerable investment to meet minimum standards. Such upgrading is important because many of the roads are vital for enhancing land transport connectivity between neighbouring countries, as well as for the region as a whole. For example, the Asian Highway routes in Myanmar need to be upgraded to enhance connectivity with China, India, the Lao People's Democratic Republic and Thailand.

21. Progress has been achieved in improving domestic and regional connectivity through implementation of intergovernmental agreements on the Asian Highway and Trans-Asian Railway networks and identification of a network of dry ports to increase trade efficiency and facilitate economic integration. There is still, however, potential for greater utilization of regional transport networks through the development of intermodal facilities, such as dry ports, and greater integration of transport modes.

22. More investment is needed in transport infrastructure, particularly in regional transport networks, as well as for increasing cross-border and transit

transport facilitation and strengthening the enabling environment for regional transport and logistics services.

23. Transfer of know-how and technical training are also important areas that need attention. In this respect, the Intergovernmental Agreement on the Asian Highway Network,⁷ the Intergovernmental Agreement on the Trans-Asian Railway Network⁸ and the Intergovernmental Agreement on Dry Ports⁹ provide a platform for assisting countries in defining coherent and coordinated transport development policies. The secretariat encourages landlocked developing countries to ratify, accede to or approve the intergovernmental agreements on the Asian Highway and Trans-Asian Railway networks and to become Party to the Intergovernmental Agreement on Dry Ports to ensure its early entry into force.

24. High transport costs, cumbersome trade procedures, duplication of inspections and excessive paperwork combined with insufficient coordination among border agencies and lack of transparency in trade-related rules continue to pose challenges and problems in many landlocked developing countries, impairing their export competitiveness and the inflow of foreign investment.

25. Among the member countries of the United Nations Special Programme for the Economies of Central Asia (SPECA),¹⁰ with the exception of Afghanistan, a major obstacle to active participation in ESCAP activities is language. It is therefore important to improve the availability of materials in the Russian language, as well as to provide simultaneous interpretation in meetings involving Central Asian countries. Closer cooperation with ECE, combined with the establishment of the ESCAP Subregional Office for North and Central Asia to support activities in the subregion, are among the measures taken to address this challenge.

C. Capacity development support provided by ESCAP

1. Asian Highway

26. Under the project entitled "Promotion of Investment in the Asian Highway Network: Prefeasibility Studies of Priority Sections", ESCAP, with funding from the Korea Expressway Corporation, has provided technical assistance to Kyrgyzstan and Mongolia to undertake prefeasibility studies of selected priority routes and to promote investment in the Asian Highway. In that regard, it has organized field visits and country-level workshops with the aim to build capacity in those countries in conducting prefeasibility and investment studies.

27. In conjunction with the fifth meeting of the Working Group on the Asian Highway Network, which was held in Bangkok on 7 and 8 October 2013, ESCAP organized the Asian Highway Investment Forum. Representatives of nine landlocked developing countries were among the attendees at the Forum during which the prefeasibility studies conducted in Kyrgyzstan and Mongolia and other potential investment opportunities pertaining to the Asian Highway network were presented. In addition, a special capacity-building session was held on new technologies and good

⁷ United Nations, *Treaty Series*, vol. 2323, No. 41607.

⁸ United Nations, *Treaty Series*, vol. 2596, No. 46171.

⁹ Commission resolution 69/7, annex.

¹⁰ The member countries of SPECA are Afghanistan, Azerbaijan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.

practices in highway construction, management, operation and maintenance. Among the topics covered at the Forum were financing of highway development through PPP, safe road infrastructure design, long-life pavement design and application of an intelligent transport system in highway operation.

2. Trans-Asian Railway

28. The third meeting of the Working Group on the Trans-Asian Railway Network, which was held in Bangkok on 5 and 6 November 2013, provided an opportunity for delegates to discuss issues related to rail connectivity. The meeting was attended by, among others, delegates representing Bhutan, the Lao People's Democratic Republic and Nepal. The latter two countries have become Parties to the Intergovernmental Agreement on the Trans-Asian Railway Network.

3. Dry ports

29. The Ministerial Conference on Transport at its second session, which was held in Bangkok from 12 to 16 March 2012, reaffirmed the mandate given earlier to the secretariat to work towards realizing the vision of an international integrated intermodal transport and logistics system to serve the region's emerging trade patterns.¹¹ Acting on the mandate, ESCAP has collaborated with member countries to develop a network of dry ports that would allow greater integration among infrastructure networks and increase the efficiency of transport in the region.

30. Under a project aimed at boosting capacity for the development and operation of dry ports of international importance, ESCAP in close collaboration with the Office of Legal Affairs has assisted member countries, through a series of subregional and regional meetings, in developing and negotiating the Intergovernmental Agreement on Dry Ports. The Commission adopted the final text of the Agreement in its resolution 69/7. The Agreement was opened for signature in Bangkok on 7 November 2013 during the second session of the Forum of Asian Ministers of Transport. On that occasion, 14 member countries signed the Agreement, including the Lao People's Democratic Republic and Nepal. In parallel with the Agreement, the secretariat is implementing activities to enhance the capacity of member countries to plan, develop and operate dry ports of international importance and to implement the Agreement. Landlocked developing countries have nominated a number of existing and potential dry ports in their respective territories to be included in annex I to the Agreement.

4. Transport facilitation and logistics

31. The secretariat has initiated a series of policy dialogues to strengthen transport connectivity in South and South-West Asia with particular focus on landlocked developing countries of the subregion, namely Afghanistan, Bhutan and Nepal. The first policy dialogue was held in Dhaka on 26 and 27 June 2013, during which a proposal to formulate a master plan for strengthening transport connectivity in the subregion using ESCAP tools, including the Regional Strategic Framework for Facilitation of International Road Transport, was endorsed. At the second policy dialogue, which was held in Lahore, Pakistan on 9 and 10 December 2013, the formulation of a master plan was endorsed. ESCAP has been requested to assist in its further formulation.

¹¹ E/ESCAP/68/9, chap. 1.

32. ESCAP in collaboration with ADB held a subregional workshop in Bangkok on 9 and 11 October 2013 to discuss a secure cross border transport model to sensitize key stakeholders about the potential benefits of using an electronic vehicle tracking system to reduce inordinate delays at border crossings. Following that meeting, a national workshop was held in Bhutan in January 2014 to discuss the possible implementation of an electronic vehicle tracking system on an identified route.

33. A policy dialogue on economic and transport development in border areas of the eastern part of the South Asia subregion was held in Shillong, India in December 2013, with participation of government officials from Bangladesh, Bhutan, Nepal and Northeast Indian states. Organized in collaboration with ADB and the government of Meghalaya State of India, the policy dialogue provided an opportunity to exchange experiences in the economic and transport development of border areas. The meeting included a field visit to a border crossing.

5. Sustainable transport

34. The secretariat continues to provide assistance to landlocked developing countries in establishing sustainable transport systems. In September 2013, a regional capacity-building workshop on measurement of inland transport CO₂ emissions and mitigation policies was organized to raise awareness of the need to measure and mitigate transport emissions, introduce the For Future Inland Transport Systems tool and enhance the capacity of government officials. Among the attendees of the workshop were government officials from Bhutan, the Lao People's Democratic Republic and Nepal.

35. ESCAP held a regional expert group meeting in Incheon, Republic of Korea, from 27 to 29 November 2013 to discuss the findings of a study on policy options for sustainable transport development. Senior officials from national Governments and secondary cities, including those from Bhutan, the Lao People's Democratic Republic and Nepal, benefited from the meeting through the exchange of views and the sharing of knowledge, policies and best practices on key elements of sustainable transport development.

36. ESCAP organized a regional expert group meeting on road maintenance in Hanoi from 29 to 31 May 2013. Among the participants were representatives of Bhutan, the Lao People's Democratic Republic and Nepal. The meeting considered ways to finance road maintenance and discussed the contribution of roads, particularly rural roads, to sustainable development and poverty reduction, including the importance of maintaining those roads in order to expand their lifespan.

6. Road safety

37. Several landlocked developing countries have prepared or are in the process of finalizing their draft national strategies and action plans on road safety. ESCAP organized an expert group meeting to review progress in improving road safety in the region in Hanoi from 29 to 31 May 2013. Among the participants were government officials from Afghanistan, the Lao People's Democratic Republic and Nepal. The meeting focused on issues and challenges related to road safety of vulnerable road users and adopted a joint statement on improving road safety in the region, which reaffirmed the need

to reduce the level of road traffic fatalities by increasing road safety activities conducted at global, regional, national and local levels.¹²

38. ESCAP in collaboration with ECE organized the Europe-Asia Road Safety Forum in New Delhi from 4 to 6 December 2013. Among the Forum participants were representatives of Azerbaijan, Bhutan, the Lao People's Democratic Republic and Nepal. During the Forum, features, benefits and the implementation of the major United Nations conventions related to road safety were discussed, interregional experiences were shared and national updates on road safety progress were reviewed.

7. Asia-Pacific information superhighway

39. In 2013, ESCAP in collaboration with the International Telecommunication Union (ITU) undertook an initiative to map terrestrial Internet transmission networks. This endeavour resulted in online interactive maps of the grids of fibre optic and the location of microwave links through which Internet data are transmitted worldwide, as well as at the national level through national backbones. The maps show policymakers and investors where the missing links in terrestrial transmission are across the region. They contribute to the development of a coherent Asia-Pacific information superhighway and thereby assist member countries in their efforts to bring affordable information and communications technology (ICT) and broadband connectivity for all. These maps were launched on 18 November 2013 and are available at www.unescap.org/idd/maps/asia-pacific-superhighway.

40. The implementation of a seamless Asia-Pacific information superhighway would facilitate competition in international Internet transmission. The added transmission capacity would benefit all countries through improved redundancy and stability, as well by providing enhanced revenue-generating opportunities. Landlocked developing countries stand to gain the most from the added transmission capacity as the information superhighway infrastructure has the potential to promote competition, enhance service quality and reduce prices.

8. Macroeconomic policies

41. ESCAP in collaboration with the National Bank of Kazakhstan organized a high-level policy dialogue on macroeconomic policies for sustainable and resilient growth in North and Central Asia in Almaty, Kazakhstan, on 27 and 28 August 2013. The policy dialogue provided a timely platform for ministers of finance, governors of central banks, high-level policymakers, eminent experts and diverse stakeholders to discuss the challenges of economic growth, stability, diversification and job creation, and to take a fresh look at how macroeconomic policy tools could better serve national development agendas.

9. Trade and investment policies

42. ESCAP organized several capacity-building programmes for government officials from the Lao People's Democratic Republic on challenges and opportunities arising from the ASEAN Economic Community (AEC). Technical assistance was also provided to the delegation of that country during the fourth round negotiations of the Asia-Pacific Trade Agreement (APTA).

¹² See www.unescap.org/resources/report-expert-group-meeting-road-maintenance-and-management.

43. ESCAP provided technical support and advisory work to the Government of Mongolia in its accession to APTA, which is now pending ratification. Workshops and advisory missions were organized to increase the capacity of government officials in removing regulatory and procedural barriers to trade, including by negotiating and implementing preferential trade and investment agreements. In 2013, workshops and advisory missions were held in cooperation with development partners covering negotiations and preparation for services liberalization, as well as negotiation of rules of origin and trade in goods.

44. ESCAP, through its South and South-West Asia Office, in collaboration with the International Trade Centre (ITC), a technical cooperation agency jointly operated by the United Nations Conference on Trade and Development and WTO, started a capacity-building programme in 2012 on negotiations and implementation of WTO commitments to assist Afghanistan in the country's bid for WTO membership. The programme brings together an average of 22 government officials and private sector stakeholders for workshops held at the South and South-West Asia Office in New Delhi on specific issues related to WTO negotiations and rules. Workshops, including field visits, were held in August 2012, April and October 2013, and March 2014; one more is planned for 2014. Afghanistan has also received support through knowledge products, such as the ESCAP report entitled "Doing business with Afghanistan: harnessing Afghanistan's economic potential", which provides detailed analysis and recommendations for the business community on the investment environment in the country.¹³

10. Cross-border paperless trade

45. A total of ten landlocked developing countries in the region attended a subregional meeting, held in July 2013, and a regional meeting, held in September 2013, on regional arrangements for the facilitation of cross-border paperless trade, which were organized in pursuance of resolution 68/3. Those meetings were organized back-to-back with capacity-building training on paperless trade. A draft text of regional arrangements on the facilitation of cross-border paperless trade has been prepared with contributions from nominated national focal points and regional experts through an expert review and member countries consultations.

11. Trade facilitation

46. A total of 19 capacity-building events on trade facilitation related to landlocked developing countries were organized by ESCAP in 2013. Among them, the Asia-Pacific Trade Facilitation Forum 2013, held in Beijing on 10 and 11 September 2013, was attended by representatives of eight landlocked developing countries in the region. The United Nations Network of Experts for Paperless Trade in Asia and the Pacific (UNNExT) Masterclass 2013, a two-week intensive training on implementation of paperless trade and single window, held in Cheon-an, Republic of Korea, in October 2013, was attended by representatives of five landlocked developing countries in the region. The Global Trade Facilitation Conference 2013, held in Bangkok on 18 and 19 November 2013, was attended by government and private sector representatives of nine landlocked developing countries in the region. In addition, a joint ESCAP-ADB study on trade and transit collaboration

¹³ Available from sswa.unescap.org/pdf/Doing-Business-with-Afghanistan-Report_Hires.pdf.

in member countries of the South Asia Subregional Economic Cooperation (SASEC),¹⁴ which has been ongoing since 2012, is being finalized.

12. Transit agreement database

47. ESCAP is finalizing the first version of the database on transit agreements, which is expected to be released by May 2014. An initial analysis of the trade facilitation potential of selected Asian transit agreements in the context of the WTO trade facilitation negotiations was released in January 2014.

13. Asia-Pacific Trade and Investment Agreements Database

48. In recent years, the Asia-Pacific region has experienced a rapid increase in the number of preferential trade agreements signed and implemented at the bilateral and regional levels. This phenomenon has effectively changed the landscape of trade relations in the region and increased the complexity of doing trade in regional markets. The Asia-Pacific Trade and Investment Agreements Database (APTIAD), which is maintained by ESCAP, provides government officials, researchers and policy analysts with a tool to monitor the development of regional and bilateral trade agreements. The database has been updated and is available online. As of 30 October 2013, there were 223 preferential trade agreements recorded in the database. Brief and easy to use notes based on empirical analysis were published online explaining the evolution in preferential trade policies and agreements in strengthening South-South cooperation.

14. Statistics

49. National statistical systems of landlocked developing countries have benefited from regional exchanges of experiences and influenced the direction and focus of regional cooperation through their participation in a series of steering and advisory groups established under the auspices of the Committee on Statistics. These are the following:

(a) Bureau of the ESCAP Committee on Statistics, which includes Mongolia as a member;

(b) Steering Group for the Regional Programme on Economic Statistics, which includes the Lao People's Democratic Republic;

(c) Regional Steering Group for Civil Registration and Vital Statistics, which includes members from Bhutan and the Lao People's Democratic Republic;

(d) Steering Group for Agricultural Statistics, which includes members from Afghanistan and Bhutan (established under the joint auspices of the Asia-Pacific Commission on Agricultural Statistics, statutory body of the Food and Agriculture Organization of the United Nations and the Committee on Statistics);

(e) Technical Advisory Group on Population and Social Statistics, which includes Bhutan.

50. The Statistical Institute for Asia and the Pacific (SIAP) has conducted a range of training activities involving landlocked developing countries, including of note, training on the system of national accounts and on vital statistics, including residential courses in Afghanistan and Tajikistan. An

¹⁴ Bangladesh, Bhutan, India and Nepal.

example of this is the First Group Training Course on Improving Capability in Producing Official Statistics Relating to MDGs Indicators, which was held in Chiba, Japan from 18 August to 21 December 2013 with participation of representatives of Afghanistan and Nepal.

51. As part of the Regional Programme for the Improvement of Economic Statistics, a capacity screening was conducted in the first half of 2013 with the participation of representatives of Armenia, Azerbaijan, Bhutan, Kazakhstan, Kyrgyzstan, the Lao People's Democratic Republic, Mongolia and Tajikistan. The capacity screening provided a snapshot of the institutional and legal setting, statistical infrastructure and the implementation of the Core Set of Economic Statistics in member countries.

52. Representatives of Bhutan and the Lao People's Democratic Republic participated in the ESCAP/UNEP/SANDEE workshop for senior policymakers and managers on valuing and accounting for the Environment in the Asia-Pacific Region, which was held in Bangkok from 8 to 10 October 2013. The workshop, organized jointly by ESCAP, the South Asian Network for Development and Environmental Economics (SANDEE) and the United Nations Environment Programme, provided opportunities for sharing information and building cooperation among countries to address the challenge of better measurement of natural capital, including through economic valuation of ecosystem services.

53. Experts from Mongolia participated in an expert group meeting on strategies for improving environment statistics in Asia and the Pacific. Held in Bangkok from 2 to 4 December 2013, the meeting was the first step towards developing a regional approach to capacity enhancement in this domain of statistics. An important component of environment statistics is the implementation of the System of Environmental-Economic Accounting (SEEA) and natural resources statistics. The Government of Mongolia participated as a resource country for this endeavour due to its leading role in the Ulaanbaatar City Group on Statistics for Economies based on Natural Resources.

54. The Regional Consultative Workshop to Develop a Framework and Core Set of Gender Statistics and Indicators in Asia and the Pacific was held in Bangkok from 4 to 6 November 2013. Among the participants of the event were representatives of Bhutan, Kazakhstan, Mongolia and Nepal.

55. ESCAP, along with ECE and the European Free Trade Association, is conducting the Adapted Global Assessment of the National Statistical System of Mongolia. The exercise entails assessing the legal framework, institutional and organizational set-up and the data production processes of the national statistical system using as reference the Fundamental Principles of Official Statistics, which was re-endorsed by the General Assembly in its resolution 68/261. The purpose of the assessment is to provide recommendations for improvement, including institutional reforms. Two assessment missions were conducted in October 2013 and January 2014. The resulting report is scheduled to be presented to a high-level policy audience later in 2014. The Global Assessment tool has been developed and tested in other regions, and the involvement of ESCAP was initiated with a view to exploring options for applying the tool in other countries in Asia and the Pacific.

56. ESCAP also provided expert support on the compilation of industrial production indices and the seasonal adjustment of short-term indicators based on a request of the National Statistical Office of Mongolia in November 2013.

15. Disaster risk reduction

57. Afghanistan, Bhutan and Nepal benefited from regional advisory services of ESCAP in disaster risk reduction. In Afghanistan, the advisory services led to the development of the Afghanistan Strategic National Action Plan (SNAP) for Disaster Risk Reduction: Toward Peace and Stable Development, which contributed to efforts to identify key projects under the multi-stakeholders Istanbul Process DM-CBM (Disaster Management Confidence Building Measures). The advisory services also helped facilitate multi-stakeholder consultations in Afghanistan, Bhutan and Mongolia to shape the development agenda beyond 2015 with a focus on a disaster risk reduction framework.

IV. The way forward

58. During the biennium 2014-2015, ESCAP will implement, in collaboration with ECE, a United Nations Development Account project on strengthening transport connectivity in South Asia and Central Asia, with a special focus on least developed countries and landlocked developing countries. The project is aimed at strengthening the capacities of member countries in transport connectivity, including through infrastructure development and transport facilitation, with the objective to increase access of least developed countries and landlocked developing countries of South and Central Asia to regional and global markets.

59. ESCAP will continue to extend support to landlocked developing countries in efforts to realize an international integrated intermodal transport and logistics system. The adoption of the Intergovernmental Agreement on Dry Ports in 2013 is expected to help integrate the Asian Highway and Trans-Asian Railway networks and further improve physical connectivity in the region. ESCAP will therefore continue to promote the intergovernmental agreements on the Asian Highway and Trans-Asian Railway networks and the Intergovernmental Agreement on Dry Ports, which form the basis for an international integrated intermodal transport and logistics system in the region.

60. One of the major challenges to regional connectivity is the inordinate delays that occur at border crossings. ESCAP has developed various transport facilitation models to identify and propose solutions to mitigate such delays. Among them are the following: the Secure Cross Border Transport Model, which provides a concept for a vehicle tracking system using new technologies; the Efficient Cross-border Transport Model, which serves as a methodology for identifying non-physical barriers, evaluating alternatives and finding optimal solutions that can work most effectively in a given subregion; the Model on Integrated Controls at Border Crossings, which provides ways to streamline the flow of information and equipment at the borders; and the Time/Cost-Distance methodology (TCD), which identifies bottlenecks along the corridors. A series of workshops are planned in landlocked developing countries on dissemination and practical implementation of those models to promote seamless international road transport in support of regional connectivity. Policy dialogues are planned in 2014 to sensitize policymakers and key stakeholders to the lost opportunities and benefits forgone due to poor connectivity in general, with a focus on landlocked developing countries. Simultaneously, steps will be taken to formulate the master plan to strengthen transport connectivity in South and South-West Asia for consideration and subsequent adoption by the countries. National workshops on the Secure Cross Border Transport Model are planned in landlocked developing countries to provide advisory services on

implementation of an electronic vehicle tracking system that would help reduce delays at the borders.

61. Currently, six landlocked developing countries in the region are members of the WTO, namely Armenia, the Lao People's Democratic Republic, Kyrgyzstan, Mongolia, Nepal, and Tajikistan. It will be important for these countries to further assess their readiness and take measures to implement the Agreement on Trade Facilitation, including possible revisions of transit agreements in line with the enhanced freedom of transit provisions of the Agreement.¹⁵

62. To further facilitate international trade and reduce trade costs, landlocked developing countries should be actively involved in implementing resolution 68/3 on enabling paperless and the cross-border recognition of electronic data and documents for inclusive and sustainable intraregional trade facilitation, in which the key issues and challenges addressed, although relevant to all member countries, are particularly relevant to landlocked developing countries.

63. Landlocked developing countries are encouraged to fully utilize the tools for trade facilitation developed by international organizations to further build capacity of relevant stakeholders. In this respect, they are encouraged to take advantage of the guides developed by UNNExT on such topics as business process analysis, document alignment, data harmonization and modeling, and single window implementation.

64. Landlocked developing countries may develop mechanisms to more accurately monitor their progress in facilitating trade and more effectively prioritize implementation of trade facilitation measures. Indeed, while macro-level performance indicators, such as those found in the recently released ESCAP World Bank International Trade Costs database or the World Bank Doing Business database, are useful, regular and systematic, conducting an import-export process analysis at the product level or along specific trade routes is needed in order to identify the real and often changing procedural bottlenecks along the relevant international supply chains. Landlocked developing countries are also encouraged to utilize the latest trade facilitation tool on trade and transport facilitation monitoring, which was jointly developed by ESCAP and ADB, and currently is being implemented in Bhutan and Nepal in collaboration with the World Customs Organization.¹⁶

65. As trade and transport are inextricably linked, coordination mechanisms for trade and transport facilitation should be developed or strengthened as part of an integrated effort to enhance connectivity of landlocked developing countries with key markets and increase their share of regional and global trade. In that context, promoting the development of core trade-related service sectors and improving the business regulatory environment may also be considered by landlocked developing countries.

66. ESCAP trade and investment capacity-building and advisory activities for landlocked developing countries will continue in 2014. The secretariat is preparing policy prescriptions for the capacity development needs of landlocked developing countries to negotiate successfully in the post-Bali WTO negotiations, as well as in transit agreements. Pending availability of resources, assistance will be provided to landlocked developing countries through such

¹⁵ See Ministerial Decision of 7 December 2013 (WT/MIN(13)/36-WT/L/911, 11 December 2013).

¹⁶ Details are available from www.unescap.org/tid/publication/tipub2683.asp.

means as working with their think tanks and civil society, as well as with international think tanks that focus on landlocked developing countries.

67. ESCAP is implementing a Russian Federation-funded project on strengthening national statistical systems in priority countries to produce and disseminate economic statistics including national accounts in accordance with the System of National Accounts 2008 (2008 SNA). The target countries for this project are Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Uzbekistan and Turkmenistan. Two main events are planned for 2014: a high-level event advocating coordinated implementation of major macroeconomic statistical frameworks (business process management, government finance statistics, SNA) in Central Asian countries; and a technical training course for Central Asian countries on the changes in the 2008 SNA that affect gross domestic product (GDP).

68. ESCAP is working with ECE on the preparations of the 9th meeting of the SPECA Project Working Group on Statistics, which will be held in Baku from 25 to 27 June 2014.

69. A number of activities are proposed in the biennium 2014-2015 to help build resilience to natural disasters in several member countries, including some landlocked developing countries. Pilot studies will be undertaken related to monitoring resilience in Mongolia. Additional work has been proposed in building resilience to natural disasters for several landlocked developing countries, particularly in Central Asia, as recommended by the Committee on Disaster Risk Reduction at its third session, which was held in Bangkok from 17 to 29 November 2013.¹⁷ ESCAP is developing a set of indicators to measure resilience to natural disasters and economic shocks. This will be an important longer term activity to assist countries in their effort to integrate disaster risk reduction into broader development strategies.

¹⁷ See ESCAP/70/14, chap I.



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**Special Body on Least Developed, Landlocked Developing
and Pacific Island Developing Countries: development
issues relevant to landlocked developing countries**

Summary of the status of implementation of the Vientiane Consensus

Note by the secretariat

Corrigendum

1. Page 4, table, heading

The heading of the table *should read* GDP growth and export growth in Asia-Pacific landlocked developing countries.

2. Page 5, paragraph 15(a)

For the existing text *substitute*

(a) In Azerbaijan, several road projects involving new construction, rehabilitation and upgrading along AH-5 (East-West Baku-Alat-Qazakh-Georgia Republic state border) and AH-81 (Hajigabul-Bahramtapa) are being undertaken;



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Item 3 of the provisional agenda*

**Review of issues pertinent to the subsidiary structure
of the Commission, including the work of the regional
institutions**

Subprogramme overview: Issues and challenges related to inclusive and sustainable economic and social development in Asia and the Pacific

Note by the secretariat

Summary

Issues and challenges related to inclusive and sustainable economic and social development in Asia and the Pacific are addressed in the present document under eight headings: macroeconomic policy and inclusive development; trade and investment; transport; environment and development; information and communications technology and disaster risk reduction; social development; statistics; and subregional activities for development.

The present document highlights the steps and activities undertaken and planned by the secretariat to support member countries through policy analysis, dialogue and capacity-building so that they will be able to address the challenges they face in those eight areas.

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Introduction

1. Inclusive and sustainable development presents both the most daunting challenges and the most significant opportunities for the Asia-Pacific region. The present document contains an outline of the key development issues in the pursuit of the sustainable development agenda and highlights the approach and achievements of the eight subprogrammes of the Economic and Social Commission for Asia and the Pacific (ESCAP). It also contains a summary of the secretariat's assistance to member States in terms of strategic analysis, policy options and technical cooperation, and highlights of key results and achievements.

2. The eight subprogrammes are as follows:

(a) Macroeconomic policy and inclusive development (including the Centre for the Alleviation of Poverty through Sustainable Agriculture (CAPSA));

(b) Trade and investment (including the Centre for Sustainable Agricultural Mechanization (CSAM)¹ and the Asian and Pacific Centre for Transfer of Technology (APCTT));

(c) Transport;

(d) Environment and development;

(e) Information and communications technology and disaster risk reduction (including the Asian and Pacific Training Centre for Information and Communication Technology for Development (APCICT));

(f) Social development;

(g) Statistics (including the Statistical Institute for Asia and the Pacific (SIAP));

¹ Formerly known as the United Nations Asian and Pacific Centre for Agricultural Engineering and Machinery (UNAPCAEM). Its new name became effective on 1 October 2012.

- (h) Subregional activities for development:
 - (i) Subregional Office for the Pacific;
 - (ii) Subregional Office for East and North-East Asia;
 - (iii) Subregional Office for North and Central Asia;
 - (iv) Subregional Office for South and South-West Asia.

The Commission may wish to provide the secretariat with guidance on the policy options identified and the initiatives being undertaken in support of member countries.

Section I

Macroeconomic policy and inclusive development

A. Introduction

3. Amid continued volatility in the global economy, countries in Asia and the Pacific are turning to regional- and domestic-led growth, with greater focus on infrastructure and other types of social investment, in line with the recommendations in the *Economic and Social Survey of Asia and the Pacific 2013*.² Countries are also paying greater attention to improving nutrition and health outcomes, as advocated in the Regional Millennium Development Goals Report,³ and to strengthening sustainable agriculture, as envisioned by CAPSA. It is important that national efforts are complemented by regional economic cooperation for shared prosperity, with particular attention paid to the least developed countries, landlocked developing countries and small island developing countries.

B. Key issues and challenges

1. Forward-looking macroeconomic policies for inclusive and resilient growth

4. While Asia and the Pacific continues to lead global economic growth, its performance has been buffeted by weak demand and volatility in the financial markets. Regional and domestic demand, which earlier helped offset a decline in exports to advanced economies, lost some of its momentum in 2012 and 2013, owing to a transition to lower growth in regional powerhouses, such as China, and softer demand in countries where government and household debt have increased. In India and Indonesia, monetary tightening to curb inflation and stop currency depreciation also held back growth.

5. Moreover, it is clear that Asia and the Pacific will not be able to sustain its dynamism without addressing the challenges of poverty, income inequality, vulnerable employment and infrastructure bottlenecks. The region remains home to more than 700 million people living on less than \$1.25 a day and some one billion workers trapped in poorly paid jobs with low security. The gap between the rich and the poor has widened, limiting further gains in poverty reduction and social development and undermining the foundations for future growth. Infrastructure shortages are severe, contributing to inflationary pressures as supply fails to keep pace with demand.

² *Forward-looking Macroeconomic Policies for Inclusive and Sustainable Development* (United Nations publication, Sales No. E.13.II.F.2).

³ ESCAP, ADB and UNDP, *Asia-Pacific Aspirations: Perspectives for a Post-2015 Development Agenda: Asia-Pacific Regional MDGs Report 2012/2013* (September 2013).

6. In the light of this, ESCAP has recommended a wide range of policy options which fall under the umbrella of “forward-looking macroeconomic policies”.⁴ This includes management of short-term capital and a monetary framework, which, along with reasonable price stability, ensures inclusive finance and adequate credit flows to agriculture, small and medium enterprises (SMEs) and other sectors in which the potential to raise productivity and generate employment is large. On the fiscal front, countries are encouraged to look beyond deficit and debt and focus more on composition and quality of public expenditures, committing more to social investments important for long-term growth.

7. Critical to realizing these goals is resource mobilization. In particular, Asia and the Pacific has among the lowest tax revenues in the world, with the tax to GDP ratio in single digits in such countries as Myanmar and Pakistan. In fact, the *Economic and Social Survey of Asia and the Pacific 2014* shows that the share of tax revenues either declined or remained largely unchanged in many rapidly growing economies and that “tax gaps”, measured against a country’s potential given its economic structure, are indeed wide, equivalent to some 3.3 per cent and 2.3 per cent of GDP in Bangladesh and in Indonesia, respectively. One of the recommendations in the *Survey 2014* is to broaden the tax base and other measures to enhance revenues, with attention to the composition of revenues to ensure that reforms in tax policy and administration are also pursued in a manner that fosters equitable growth.⁵

8. The *Survey* and regular policy briefs containing these messages have helped stimulate the policy debate in the region, which as been widely referred to by policymakers and the media, including top-tier outlets, such as CNN and the *Financial Times*. A total of 800 policymakers and representatives of civil society participated in policy dialogues held in some 30 countries. These dialogues helped tailor the messages to national circumstances. Two high-level subregional policy dialogues were held in Yogyakarta, Indonesia, and Almaty, Kazakhstan, hosted by the finance ministry and central bank of Indonesia and the central bank of Kazakhstan, respectively. Moreover, while direct attribution would be difficult, several recent reforms implemented in the region are in line with the recommendations of ESCAP. For instance, more than 20 countries in the region have raised or introduced minimum wages since 2012 while many are reprioritizing their public expenditures and capital flows management has gained wider acceptance amid increase financial volatilities.

2. Regional economic cooperation and integration for shared prosperity

9. The rapid economic growth in Asia and the Pacific since the 1950s has been supported by a favourable external environment and opportunities arising from globalization. However, in a dramatically altered scenario for the period following the recent global financial crisis, the region’s dynamism, which is crucial for the elimination of poverty and hunger and for the realization of an Asia-Pacific century, will critically depend on the region’s ability to harness the potential of regional economic cooperation and integration.

⁴ At the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals in 2010 and at the United Nations Conference on Sustainable Development in 2012, world leaders pledged to adopt forward-looking macroeconomic policies that promote sustainable development and lead to sustained, inclusive, and equitable economic growth.

⁵ *Economic and Social Survey of Asia and the Pacific 2014*, (forthcoming).

10. The Commission's theme study *Growing Together: Economic Integration for an Inclusive and Sustainable Asia-Pacific Century*⁶ presented a comprehensive view of regional economic cooperation and integration based on four pillars, and argued that further deepening and broadening it could be mutually beneficial to all countries and instrumental in the achievement of key development goals. The pillars are: (a) an integrated market; (b) seamless connectivity; (c) financial cooperation; and (d) addressing shared vulnerabilities and risks. The Commission in its resolution 68/10 on enhancing regional economic integration in Asia and the Pacific then decided to convene the Asia-Pacific Ministerial Conference on Regional Economic Integration in 2013, to review the theme study for the sixty-eighth session of the Commission.

11. The Ministerial Conference on Regional Economic Cooperation and Integration in Asia and the Pacific was held in Bangkok from 17 to 20 December 2013. Among the participants were top government leaders, ministers and senior officials from 36 countries, who unanimously adopted the Bangkok Declaration on Regional Economic Cooperation and Integration in Asia and the Pacific,⁷ providing renewed momentum for existing efforts. Also, in the Declaration, the Ministers and representatives of members and associate members of ESCAP decided to create four area-specific working groups and to convene a second Ministerial Conference in 2015.

12. Recognizing the importance of trade for growth and development, the need to move towards an integrated market of Asia and the Pacific in order to exploit the complementarities is highlighted in the Declaration. The importance of harnessing the potential of trade facilitation and intraregional migration and tourism is also emphasized, while in regard to connectivity, several ESCAP initiatives, including the recent Intergovernmental Agreement on Dry Ports and the Asian and Pacific Energy Forum is highlighted and increased cross-sectoral synergies between transport, energy and information and communications technology (ICT) infrastructure is stressed, so that seamless connectivity could be realized. To address shared vulnerabilities and risks, possible initiatives, such as establishing a regional agricultural research and innovation network and strengthening regional food banks and regional support systems for natural disaster management, including through ICT and space technology, are identified in the Declaration.

13. In regard to financial cooperation, the importance of developing the region's capital markets and a regional financial architecture to facilitate the mobilization of financial resources is emphasized in the Declaration. In this regard Commission resolution 69/6 on the implementation of the Tehran Declaration to promote public-private partnerships in infrastructure development was recalled. In that resolution, the Commission requested the Executive Secretary to encourage and invite countries of the region to consider setting up an Asian investment bank. Indeed, such as a regional mechanism, together with national efforts to enhance revenues, could provide renewed momentum for financing for development in Asia and the Pacific.

14. In addition, at the request of member countries, the secretariat has been facilitating the development of a regional voice in such forums as the G-20. High-level regional consultation on the G-20 summit agenda has been organized annually since 2010, with the participation of about 40 countries, the G-20 Chair, and organizations, such as the Intergovernmental Group of Twenty-four on International Monetary Affairs and Development and the

⁶ ST/ESCAP/2629.

⁷ See E/ESCAP/70/7.

South Centre. These consultations have also helped ensure that the voices of all countries, including the least developed countries, are reflected in major global forums.

3. Policy issues related to countries with special needs

15. The group of 31 countries with special needs in the Asia-Pacific region is comprised of least developed countries, landlocked developing countries and small island developing countries. These countries are home to more than 380 million people, a quarter of the total population of the Asia-Pacific developing countries, excluding China and India.⁸ Their economies are marked by persistent structural challenges, fluctuating growth and dependence on a limited number of commodities or low-wage manufactured products for export earnings.⁵ These countries have experienced limited structural transformation and the impact of growth on employment creation and poverty reduction has been limited.

16. As highlighted in the *Asia-Pacific Regional MDGs Report 2012/2013*,³ prepared by ESCAP, the Asian Development Bank (ADB) and the United Nations Development Programme (UNDP), countries with special needs have lagged behind in progressing towards achieving the Millennium Development Goals. Areas of particular concern are reducing deaths among young children and mothers, improving sanitation and providing universal primary education. Socioeconomic development remains constrained by many factors, including limited productive capacities,⁹ remoteness and isolation from the world markets, and high trade costs. These countries are also the most vulnerable to natural disasters making economic growth and poverty reduction a far greater challenge.¹⁰

17. The United Nations has formulated strategic actions to address the developmental challenges faced by countries with special needs through the implementation of global mandates, including the Programme of Action for Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action),¹¹ the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries with a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries¹² and the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States.¹³ In Asia and the Pacific, ESCAP has been working closely with other United

⁸ ESCAP Online statistical database. Available from www.unescap.org/stat/data/statdb/DataExplorer.aspx.

⁹ *Economic and Social Survey of Asia and the Pacific 2011: Sustaining Dynamism and Inclusive Development — Connectivity in the Region and Productive Capacity in Least Developed Countries* (United Nations publication, Sales No. E.11.II.F.2).

¹⁰ ESCAP, *Building Resilience to Natural Disasters and Major Economic Crises* (ST/ESCAP/2655).

¹¹ *Report of the Fourth United Nations Conference on the Least Developed Countries, Istanbul, Turkey, 9–13 May 2011* (A/CONF.219/7), chap. I.

¹² *Report of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, Almaty, Kazakhstan, 28 and 29 August 2003* (A/CONF.202/3), annex I.

¹³ *Report of the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, Port Louis, Mauritius, 10–14 January 2005* (United Nations publication, Sales No. E.05.II.A.4 and corrigendum), chap. I, resolution I, annex II.

Nations agencies and development partners to assist those countries through the implementation of these global and related regional mandates.

18. ESCAP has implemented the regional follow-up to the Istanbul Programme of Action, including through holding the Asia-Pacific Regional Workshop on Graduation Strategies from the Least Developed Country Category as part of the Implementation of the Istanbul Programme of Action for LDCs, which was held in Siem Reap, Cambodia, from 4 to 6 December 2013, in cooperation with the Government of Cambodia and the Department of Economic and Social Affairs. During the workshop, there was a review of progress made and challenges encountered by Asia-Pacific least developed countries towards graduation and policy options for the way forward were provided. Key development issues addressed included, among others, productive capacity development, promotion of human resources, harnessing regional trade and investment opportunities, private sector development, targeted use of official development assistance and institutional capacity development.

19. ESCAP also facilitated the Euro-Asian Final Regional Review of the Almaty Programme of Action. The event, held in Vientiane from 5 to 7 March 2013, was organized by ESCAP and the Government of the Lao People's Democratic Republic in collaboration with the Economic Commission for Europe (ECE) and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS). The Commission, in its resolution 69/2 on the final review of the implementation of the Almaty Programme of Action in the Asia-Pacific region, requested the countries of the region and international and regional organizations to endorse the outcome document of the meeting, the Vientiane Consensus,¹⁴ which was forwarded to OHRLLS as the regional input to the global final review of the Almaty Programme of Action, to be held in 2014.

20. ESCAP has enhanced the regional voice in global forums through facilitating a regional discussion on the development agenda beyond 2015. It jointly organized with OHRLLS a meeting on the development agenda beyond 2015 for Asia-Pacific least developed countries, landlocked developing countries and small island developing States, which was held in Bangkok in April 2013. The Commission in its resolution 69/3 welcomed the adoption of the meeting's outcome document, the Bangkok Declaration on the United Nations Development Agenda for Asia-Pacific Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.¹⁵ In collaboration with the Government of Thailand, ESCAP organized the Asia-Pacific Ministerial Dialogue: From the Millennium Development Goals to the United Nations Development Agenda beyond 2015, which was held in Bangkok from 26 to 28 August 2013. In addition, subregional consultations were organized in 2013 for the preparation of the Asia-Pacific Regional MDG Report 2012/13. These consultations were aimed as presenting Asia-Pacific perspectives as part of the system-wide discussion initiated by the Secretary General on the development agenda beyond 2015.

21. While accelerating their efforts in addressing development challenges, countries with special needs will continue to rely on assistance from development partners to build their capacity. However, the external environment remains challenging as traditional development partners face

¹⁴ E/ESCAP/69/1, annex.

¹⁵ Commission resolution 69/3, annex.

severe budgetary constraints. Many of the commitments made by the development partners in support of such countries remain insufficient to meet their needs.¹⁶ Therefore, regional cooperation, South-South cooperation and triangular cooperation need to be exploited by these countries to the fullest for them to close their development gaps. ESCAP will continue in its effort to strengthen the capacity of countries with special needs to engage in global and regional forums.

4. Poverty alleviation through sustainable agriculture

22. Critical environmental, social, and economic challenges must be overcome to eradicate poverty and to set the region on a more sustainable development pathway. Persistent pockets of hunger and malnutrition, slowly declining rates of poverty, especially in rural areas and loss of natural resources are crucial interconnected challenges. Greenhouse gas emissions, biodiversity loss and nitrogen overuse have reached alarming levels. Coupled with the decreasing availability of fresh water, increased land degradation and deforestation, the livelihoods of a growing number of people are being undermined.

23. Agriculture provides income, jobs, food and other goods and services to the majority of people living in poverty. There is ample evidence that agriculture can drive inclusive growth and poverty reduction, particularly in the poorest countries. However, the agriculture sector is in need of a major transformation in order to be able to provide adequate nutritious food, income and decent jobs to a growing population, while also addressing environmental challenges and sustaining progress towards eradicating poverty.

24. Central to this transformation is a systemic shift to more sustainable food systems. Sustainable food systems are built on agricultural production based on lower resource intensity, improved stewardship of natural resources, creation of economic opportunities in rural areas, reduced food losses and waste, and change towards healthier diets. Such modifications to the way food is produced and consumed are profound. To carry them out, a sound understanding of system interactions rather than specific technology solutions is required. Also strong and effective research and extension systems need to be in place.

25. Regional policy analysis workshops and policy assistance provided by CAPSA has increased awareness and capacity among senior government officials to undertake socioeconomic and policy research and formulate and implement development policies for poverty alleviation, food security and sustainable agriculture. The scientific community has attained a better understanding of sustainable agriculture through the development of an indicator framework for assessing sustainable agricultural technologies. CAPSA supported regional coordination and networking to scale up and scale out research findings on sustainable agriculture through the establishment and expansion of the Network for Knowledge Transfer on Sustainable Agricultural Technologies and Improved Market Linkages in South and Southeast Asia (SATNET Asia). This network has facilitated South-South cooperation and contributed to technical capacity-building on sustainable agricultural practices through training courses for extension workers and scientific staff. Examples of

¹⁶ As highlighted in the Asia-Pacific Regional MDG Report 2012/13, *Asia-Pacific Aspirations: Perspectives for a Post-2015 Development Agenda*, aid received per poor person in countries with special needs in the Asia-Pacific region is half of that received in sub-Saharan Africa and one fifth of that received in Latin America and the Caribbean.

innovative sustainable agriculture technologies are being collected from South and South-East Asia to feed into a portfolio of best practices to increase access to information on sustainable agricultural practices.

26. The capacity of policymakers and senior government officials was enhanced through targeted policy advice on agricultural data needs, smallholder market access and the transformation of the agricultural sector in several countries of the region. The capacity of policymakers and senior government officials in designing and implementing policies was also improved through three regional policy dialogues covering different dimensions of sustainable agriculture, namely technology transfer to smallholder farmers, climate change adaptation and research to extension linkages. The CAPSA-organized capacity-building events have been rated very positive in terms of quality and relevance, as evidenced by training evaluations. Future evaluations will assess the extent to which the training content is being put into practice.

27. ESCAP has successfully implemented resolution 65/4 in which the Commission decided that the research carried out by CAPSA should be focused on sustainable secondary crop farming systems and agribusiness in the context of inclusive agricultural and rural development for food security and poverty alleviation. Yet, while noting with appreciation the significant financial resources provided to CAPSA by member States, the financial sustainability of the Centre remains a serious concern. The support of the Commission in national-level advocacy to enhance voluntary contributions of member States to CAPSA is requested.

C. Issues for consideration by the Commission

28. The Commission may wish to consider taking the following actions:

- (a) Endorse the report of the Ministerial Conference on Regional Economic Cooperation and Integration in Asia and the Pacific;
- (b) Share experiences and views on the issues and challenges raised;
- (c) Review and provide the secretariat with guidance on how to further strengthen the analytical and technical assistance work being carried out;
- (d) Urge member States to increase their voluntary financial contribution to CAPSA.

Section II

Trade and investment

A. Introduction

29. According to the *Asia-Pacific Trade and Investment Report 2013*, the region faced its first contraction in exports since the 2008-2009 economic crisis in 2012.¹⁷ Even though exports from China also contracted, the country's export performance still was impressive, which partially cushioned the average regional performance. In 2013, positive developments in the economy of the United States of America and robust import demand in emerging Asian countries modestly improved the overall export performance of developing Asia-Pacific countries. These improvements are expected to continue in 2014. Both export and import growth rates in the region's developing countries were

¹⁷ *Asia-Pacific Trade and Investment Report 2013: Turning the Tide: Towards Inclusive Trade and Investment* (United Nations Sales No. E.14.II.F.2).

estimated to be above 5 per cent in real terms in 2013 with a modest improvement to 7 per cent projected for 2014. The adoption of a Doha-“lite” package at the Ninth Ministerial Conference of the World Trade Organization, which was held in Bali, Indonesia, from 3 to 7 December 2013, re-emphasizes the importance of a rules-based multilateral trading system and paves the way to a conclusion of the Doha Agenda, which is needed to boost future trade in the region.

30. The Asia-Pacific region is the world’s leading investment hub. Developing countries of the region account for a third of global foreign direct investment (FDI) inflows. China remains the star attraction, though rising production costs and weakening export markets have led to some relocation of labour-intensive FDI from the country to lower-income countries.

31. The following contains a brief summary of the main issues, opportunities and challenges, policy options and the secretariat’s responses in the area of trade and investment.

B. Key issues and challenges

1. Promoting inclusive and sustainable trade and investment

32. In the light of the outcome of the United Nations Conference on Sustainable Development¹⁸ and the formulation of the development agenda beyond 2015, the *Asia-Pacific Trade and Investment Report 2013* introduced a new concept called “inclusive trade and investment”. The concept’s central message conveys to policymakers that trade and investment will continue to play an essential role in reducing poverty and triggering growth, but there is a need for complementary policies that spread the benefits of trade-led growth more fairly.¹⁷ In particular, more attention should be given to the impacts of trade and investment policies on, among other things, productivity, access to employment and wages at the design-stage of the formulation of trade and investment policies.

33. During the Asia-Pacific Trade and Investment Week, which was held in Bangkok from 18 to 22 November 2013, the issue of inclusive trade and investment was highlighted. The Week resulted in enhanced knowledge-sharing and capacity-building, strengthened regional cooperation and the articulation of a regional voice on such issues as aid for trade, reviving multilateralism, inclusive trade and investment, and FDI for development.¹⁹

34. As the implementation of the ASEAN Economic Community in 2015 comes closer and negotiations to complete the Regional Comprehensive Economic Partnership Agreement and Trans-Pacific Partnership Agreement, among others, gain steam, countries need to assess how much their economies can absorb as a result of the implementation of these initiatives and carefully assess their benefits against their costs, not only in economic terms but also in environmental and social terms. In this context, the secretariat is currently aiming to provide technical assistance to member States on how to negotiate preferential trade agreements (PTAs) and formulate policies to promote green trade and investment.

¹⁸ General Assembly resolution 66/288, annex.

¹⁹ The outcome document is available at: www.unescap.org/events/tradeinvestweek/third-t-i-week-outcome.pdf.

35. In this regard, the Asia-Pacific Research and Training Network on Trade (ARTNeT) has continued to serve as a regional network of trade and investment research institutions and as a regional community of knowledge. Trainings and events organized by ESCAP and ARTNeT in collaboration with the World Trade Organization (WTO) and partners in 2013 for Asia-Pacific countries enhanced analytical capacity and provided a platform for dialogue on building a common agenda for the region, whenever possible. As a precursor to the Ninth Ministerial Conference of the World Trade Organization, a high-level policy dialogue was organized by ESCAP and ARTNeT in Bangkok in November 2013 and in parallel with the Conference, a thematic discussion on sustainable trade and trade rules was held.

36. Business is assuming an ever increasing role in addressing inclusive and sustainable growth. However, many businesses in the region, in particular SMEs, have yet to adopt sustainable business practices in accordance with accepted international standards. In order to enhance the participation and commitment of business in efforts to make trade and investment more inclusive and sustainable, the ESCAP Business Advisory Council has set up the Sustainable Business Network (SBN). This network is slowly but steadily expanding its activities under various task forces. In particular, at the International Workshop on Entrepreneurship in Socially-Responsible Business Development in Asia and the Pacific and the Young Business Leaders Programme, which was held in Ahmedabad, India, from 16 to 18 October 2013, the Ahmedabad Charter for Sustainable Business was adopted.²⁰ SBN has also prepared a ten-point reform road map for the sustainable development of the ready-made garment industry in Bangladesh and is developing an online regional connectivity platform to help SMEs improve their access to information, financing and other support services, starting in Myanmar.

37. The transfer and effective development and utilization of clean and green technologies play a central role in the development of innovation-based competitiveness, while ensuring inclusive and sustainable growth. In this regard, there is a need to strengthen innovation management and technology transfer capabilities of member States. Some important issues currently being faced by member States are the following: (a) the weakness of national institutions; (b) the need to strengthen sectoral innovation; and (c) strengthening capacity to transfer, develop and absorb new and emerging technologies (nanotechnology, biotechnology and renewable energy) with respect to commercialization, transfer, intellectual property protection, safety, testing, standardization and certification.

38. In this context, APCTT has continued to promote the development of policy framework and institutional capacity-building for the development, transfer and adoption of technologies relevant for the region. The Centre's capacity-building programmes are primarily in the areas of science, technology and innovation (STI), technology transfer and technology intelligence. During 2013, the Centre assisted member countries in strengthening their national innovation systems (NIS) for creating technology innovation ecosystems, building the technology transfer capacity of SMEs, developing institutional cooperation mechanisms for promoting renewable energy technologies, increasing the research and development (R&D) management capacity of research institutions in new and emerging areas of technology, such as nanotechnology, and enhancing technology intelligence through the provision of technology information services.

²⁰ Available from galleries.unescap.org/photos/i-tDxmTgs/0/O/i-tDxmTgs.jpg.

39. APCTT also continued to promote South-South cooperation through capacity-building activities that focused on such topics as (1) strengthening national innovation systems for promoting technology transfer, trade and investment, (2) increasing the affordability of sustainable energy options, (3) nanotechnology R&D management, (4) capacity-building in the area of sustainable agricultural practices and establishing market linkages for the benefit of smallholder farmers in the region and (5) planning and implementing technology transfer projects.

40. Under the technology intelligence programme, APCTT published four issues of *Asia-Pacific Tech Monitor*, and 16 issues of *Value Added Technology Information Service (VATIS) Updates*. The VATIS Update series contained information on more than 1,200 technology innovations and events in 35 countries and was sourced from more than 500 information sources around the world. In addition, APCTT prepared a number of normative and analytical studies, including studies in the areas of nanotechnology, enabling environment for sustainable energy, biological pest control and best practices in promoting, adopting and utilizing renewable energy technologies.

2. Reducing unacceptably high trade and investment costs

41. Unacceptably high costs for trade and investment and of doing business in general adversely affect prospects for growth and development. Fortunately, despite the challenges associated with a prolonged economic crisis, many Asia-Pacific countries have refrained from introducing discriminative protectionist measures.

42. However, according to the latest data from the ESCAP-World Bank Trade Costs database,²¹ international trade costs remain high in developing countries, limiting their ability to compete in international markets and attract FDI. Intraregional trade costs for the countries of North and Central Asia are the highest of all of the Asia-Pacific subregions, at more than three times intra-EU-3 (France, Germany and the United Kingdom of Great Britain and Northern Ireland trade costs). The trade costs among economies of South Asian and Pacific island developing economies also remain excessively high, at twice the usual costs in the three largest European Union economies, while trade costs among East Asian and ASEAN-4 countries (Indonesia, Malaysia, Philippines and Thailand) approach the intra-EU-3 benchmark. In many cases, trade continues to be more costly between Asia-Pacific subregions than between Asia-Pacific subregions on the one hand and countries or regions outside Asia and the Pacific on the other. The trade costs of small island and landlocked developing economies often are twice as high as those for other developing countries in the Asia-Pacific region.

43. Countries recognize that, aside from needed investment in trade-related infrastructure, implementation of measures to simplify import, export and transit procedures and make them more transparent are essential for reducing trade costs. As a result, the negotiation of a WTO Trade Facilitation Agreement was successfully completed last December. The importance of paperless trade and the cross-border recognition of electronic data and documents for inclusive and sustainable intraregional trade facilitation have also been increasingly recognized, as evidenced by the active participation of ESCAP member States in the implementation of ESCAP resolution 68/3 and a consensus among delegations of the third session of the Committee on Trade

²¹ The World Bank UNESCAP Trade costs Database. Available from <http://data.worldbank.org/data-catalog/trade-costs-dataset>.

and Investment to move forward with negotiating a regional arrangement for the facilitation of cross-border paperless trade.

44. In that context, the United Nations Network of Experts for Paperless Trade in Asia and the Pacific (UNNEXt), which is supported by ESCAP, trained more than 450 government and private sector officials from the region on various aspects of trade facilitation during 2013, including, among other things, process analysis, data harmonization and single window implementation. Such capacity-building activities are expected to continue during the forthcoming biennium, in close collaboration with ADB and other relevant development partners.

45. Looking forward, the secretariat's own research findings as well as the recommendations from both the Asia-Pacific Trade Facilitation Forum 2013, organized by ESCAP and held in Beijing on 10 and 11 September, and the Global Trade Facilitation Conference, organized by ESCAP jointly with other regional commissions and held in Bangkok on 18 and 19 November, identified the need to ensure that trade facilitation reforms contribute to more inclusive participation in international trade, including through the removal of impediments to the participation of SMEs in regional and global production networks and the effective implementation of transit facilitation measures for landlocked developing countries. Addressing sector-specific trade facilitation issues, particularly in sectors in which there is high potential for poverty reduction, such as agriculture, was also found to be important. The secretariat initiated work on some of these issues last year and is in the process of developing capacity-building guides and programmes in these areas in cooperation with ECE and other partners.

46. Participating States of the Asia-Pacific Trade Agreement (APTA) further reduced trade costs by exchanging best practices on issuing certificates of origin and concluding the fourth round of tariff concessions. The fourth session of the Ministerial Council of Asia-Pacific Trade Agreement is scheduled to be held in 2014.

3. Alleviating rural poverty and food security through sustainable agricultural mechanization

47. Agricultural mechanization development in Asia and the Pacific plays an essential role in enhancing food and agricultural production and profitability and hence contributes to improved food security and rural livelihoods. However, the status of agricultural mechanization development in the Asia-Pacific countries is relatively low, in particular as a result of, among other things: (a) the lack of national agricultural mechanization development strategies and policies that holistically guide the development of agricultural mechanization; (b) the absence of an extension mechanism to adapt technologies and machineries to local circumstances; (c) inadequacy of testing requirements to safeguard the quality and performance of agricultural machinery and equipment; and (d) the absence of a reliable database for evidence-based decision-making.

48. In this regard, the Centre for Sustainable Agricultural Mechanization (CSAM) has played a vital role in encouraging the development of sustainable agricultural mechanization in the member countries. This, in turn, has helped promote food security, poverty alleviation and environmental sustainability.

49. The Asian and Pacific Network for Testing of Agricultural Machinery (ANTAM) was officially launched in Bangkok on 18 November 2013. It is aimed at promoting harmonization of testing codes and standards of

agricultural machinery produced and traded in the region that address the quality, performance, occupational safety and environmental sustainability of agricultural machinery. In this regard, ANTAM stands to contribute to efforts to improve safety and the quality of agricultural machinery, to facilitate trade by increasing market access and to boost consumers' confidence in agricultural machinery produced in the region. A total of 14 countries/ subregions have so far designated their focal points and pledged their support to the Network. CSAM serves as the secretariat of ANTAM. The first annual meeting of ANTAM is scheduled to be held in the first half of 2014.

50. At the Regional Forum on Sustainable Agricultural Mechanization in Asia and the Pacific, which was held in Qingdao, China, on 26 and 27 October 2013, one topic of discussion was public-private partnerships for improved food security and rural livelihoods. The Forum successfully achieved its expected objectives of sharing different experiences and lessons learned, establishing networks and fostering cooperation on sustainable agricultural mechanization among member countries in the region and other interested parties.

51. CSAM and the Regional Office for Asia and the Pacific of the Food and Agriculture Organization of the United Nations (FAO) are jointly developing the Sustainable Agricultural Mechanization Strategy (SAMS). This strategy will serve as a practical tool to assist member countries in formulating and implementing sustainable agricultural mechanization policies and strategies to achieve the dual goals of intensifying agricultural production and attaining environmental sustainability, particularly in the Asia and the Pacific region, which faces serious environmental challenges in maintaining its agricultural production base. SAMS is designed to be implemented in five pillars, as follows: (a) surveys, assessments and analyses of the current status of agricultural mechanization; (b) enabling policies and institutions; (c) human capacity development; (d) financial support to enhance investment in SAMS; and (e) advocacy on sustainable agricultural mechanization. The outcome publication of pillar 1 was under preparation in 2013 and is scheduled to be released in early 2014.

4. Addressing the needs of least and landlocked developing countries

52. Least developed and landlocked developing countries still face substantial barriers to trade in the form of geographic distance, infrastructure deficits, low human and institutional capacity and a shortage of trade finance or policies that are not conducive to trade and growth. Thus, there is a pressing need to assist those countries in their efforts to better integrate into global and regional trade and value chains. Broader linkages with trading partners generate employment and facilitate economic diversification, thereby enhancing resilience to shocks, including natural disasters. While least developed countries' access to export markets is improving with the introduction and expansion of "duty-free quota-free access" of their exports to the markets of developed and some developing countries, more analysis and capacity-building is needed to improve the effective utilization of existing schemes.

53. In order to meet the needs of these countries, ESCAP has introduced a programme of assistance under the title "Bridging the gap". Under this programme and given the limited resources for technical assistance, the secretariat has focused on addressing the needs of a few least developed countries, in particular the Lao People's Democratic Republic, Myanmar and Timor-Leste. This programme will also be used to help these countries implement the package for least developing countries agreed on at the Ninth

Ministerial Conference of the World Trade Organization. ESCAP is also preparing a complementary policy guide on the implementation of the WTO Bali Package for least developed and landlocked developing countries.

54. Under the programme, the secretariat helped Myanmar develop SME policy and law in 2013, while conducting a multidimensional review with the Organisation for Economic Co-operation and Development (OECD). The secretariat is undertaking a business survey in Myanmar with the aim to identify needs and challenges faced by businesses in the country. The Myanmar Business and Development Week, organized with various United Nations and non-United Nations partners, the Government and the national chamber, resulted in enhanced capacity of domestic businesses in the country and opened up opportunities for building public-private sector trust and relationships. The results of the Business and Development Week are compiled in a handbook on business and development in least developed countries. ESCAP is also assisting Myanmar in strengthening the country's Trade Training Institute to become a long-term knowledge and capacity-building hub. ESCAP/ARTNeT, in collaboration with its partners, also organized tailor-made capacity-building programmes for the Lao People's Democratic Republic and Myanmar.

55. Special attention has been given to providing technical assistance and relevant data and information to countries with special needs that are either recent members or pending WTO members or are undertaking significant domestic regulatory reforms. For example, the capacity of the Government of Mongolia to remove regulatory and procedural barriers to trade, and negotiate and implement preferential trade and investment agreements was enhanced in 2013. Technical assistance was also provided to the Lao People's Democratic Republic to enable the country to participate effectively in the fourth round of tariff negotiations under APTA, and to Mongolia for its accession to APTA in 2013.

56. In Timor-Leste, ESCAP conducted a trade policy capacity-building workshop and a needs assessment. Officials from both Timor-Leste and Afghanistan undertook placements at the ESCAP secretariat in Bangkok where they worked closely with ESCAP experts on projects related to national trade policy. Furthermore, a handbook on negotiating services liberalization in preferential trade agreements has been prepared with the aim of strengthening the capacities of least developed and landlocked developing countries to negotiate, conclude and implement preferential trade and investment agreements effectively.

57. Cambodia, the Lao People's Democratic Republic and Myanmar continue to participate in the Business and Development Project. Funded by the Government of Japan, the project is aimed at strengthening the integration of SMEs into regional and global value chains. Studies in selected sectors were finalized and the project is expected to conclude by the end of 2014. The secretariat has also finalized a specialized training course on the promotion of FDI for inclusive and sustainable development in least developed and landlocked developing countries.

58. In 2013, APCTT implemented several activities for countries with special needs, such as Afghanistan, Bangladesh, Bhutan, the Lao People's Democratic Republic, Maldives, Mongolia, Myanmar and Nepal. For example, policymakers from Bangladesh, the Lao People's Democratic Republic and Nepal benefited in the area of STI diagnosis and strategy development, while the capacity of government officials from Afghanistan was strengthened in the area of biological control of pests and diseases of economically important

agricultural crops. Policymakers and practitioners from Afghanistan, Bangladesh, Bhutan and Nepal were trained in the areas of climate resilient smallholder agricultural farming systems and electronic traceability and market access for agricultural trade facilitation.

C. Issues for consideration by the Commission

59. The Commission may wish to review and provide the secretariat with guidance on the issues outlined above, in particular:

(a) The role of trade and investment in achieving the Millennium Development Goals and the development agenda beyond 2015 and, in a wider context, inclusive and sustainable growth and development. In this regard, the Commission may wish to comment on the role of trade and investment and steps that need to be taken by countries and by the secretariat to ensure a sustainable regional integration process based on enhanced trade and investment flows;

(b) A resolution on strengthening regional cooperation and capacity for enhanced trade and investment in support of inclusive and sustainable development, which would provide the necessary mandate to the both the secretariat and the Committee on Trade and Investment to address trade and investment-related issues in the context of formulating and implementing the development agenda beyond 2015.

Section III Transport

A. Introduction

60. Regional connectivity has been a major theme for most developing member countries in the Asia-Pacific region during the past decade. Transport-led regional connectivity plays a key role in regional and subregional integration, economic and trade cooperation, closing the development gap and sustainable development. In order to promote regional connectivity, high quality, reliable and integrated transport infrastructure and services that support sustainable and inclusive development are required. Moreover, the Asia-Pacific region suffers disproportionately compared to other regions from the effects of air pollution and high levels of road crashes. The region also has a high negative growth effect from lost productivity resulting from urban congestion, as well as from the pollution-related health costs and the direct and indirect costs of road crashes. With these emerging issues in mind, the Forum of Asian Ministers of Transport at its second session, which was held in Bangkok from 4 to 8 November 2013, adopted the Ministerial Declaration on Transport as a Key to Sustainable Development and Regional Integration. The Declaration serves as a broad framework for the future direction of the secretariat's work in collaboration with member countries and institutional partners to put in place inclusive and sustainable policies that are aimed at developing efficient transport that complements the region's economic and social development and integration. This work will specifically include continued implementation of the Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016),²² and the promotion of three intergovernmental agreements, the Intergovernmental Agreement on Dry Ports,²³ the

²² See E/ESCAP/68/9, chap. I.

²³ Commission resolution 69/7, annex.

Intergovernmental Agreement on the Trans-Asian Railway Network²⁴ and the Intergovernmental Agreement on the Asian Highway Network²⁵ in planning and upgrading regional transport networks.

B. Key issues and challenges

1. Developing regional and interregional transport networks

61. It is expected that, as the manufacturing power of the region expands and transport connectivity improves, intraregional trade will increase. This will generate increased demand for transport services. Sea transport has been the dominant mode in Asia and the Pacific for longer-distance travel, but new intraregional trade flows will encourage countries to explore alternative and more direct land transport routes. In line with this emerging trend, the efficiency of the land transport processes has become increasingly important. In many developing countries in the region, due partly to capacity restraints, the provision of transport infrastructure services remains short of the growing demand. As a result, there is an urgent need to upgrade and expand the capacity and outreach of regional land transport networks.

62. While substantial progress has been made in the development and upgrading of the Asian Highway and Trans-Asian Railway networks throughout Asia, work still needs to be accomplished to raise their operational readiness. A considerable part of the Asian Highway network in some countries still falls below class III standards²⁶ and requires considerable investment. Missing links preclude the Trans-Asian Railway network from being a truly region-wide asset, in particular in the countries of the Association of Southeast Asian Nations (ASEAN) and the South Asian Association for Regional Cooperation (SAARC).

63. The provision of efficient, reliable and affordable shipping services to, from, between and within island and archipelagic developing countries presents a number of unique constraints and challenges. Such a provision, however, is vital in helping to bring about economic and social benefits to the people living in Asia and the Pacific.

64. The intermodal connectivity of these systems and the availability of good consolidation and transfer points, such as dry ports, stands to contribute to the efficiency and sustainability of the systems. The secretariat's work in developing a third intergovernmental agreement culminated in the adoption of Commission resolution 69/7 on the Intergovernmental Agreement on Dry Ports. The Agreement was subsequently signed by 14 countries²⁷ during the Forum of Asian Ministers of Transport at its second session, in November 2013, with Thailand being the first Party to the Agreement through ratification.

65. The obligations of the parties under the Agreement are to adopt the list of dry ports, contained in annex I to the Agreement, as the basis for the coordinated development of important nodes in an international integrated intermodal transport and logistics system and to develop these dry ports within

²⁴ United Nations, *Treaty Series*, vol. 2634, No. 46171.

²⁵ United Nations, *Treaty Series*, vol. 2323, No. 41607.

²⁶ Almost two thirds of the 11,915 kilometres of roads under class III are in Afghanistan, Mongolia, Myanmar, Pakistan and Tajikistan.

²⁷ Armenia, Cambodia, China, Indonesia, Iran (Islamic Republic of), Lao People's Democratic Republic, Mongolia, Myanmar, Nepal, Republic of Korea, Russian Federation, Tajikistan, Thailand and Viet Nam.

the framework of their national programmes and in accordance with national laws and regulations. In addition, the development and operation of these dry ports are to be guided by the principles set out in annex II to the Agreement. In negotiating the Agreement, 27 member countries designated a total of 240 dry ports to fall under the above obligations, including 153 dry ports that already exist and 87 potential ones.

66. The enhancement of intercountry connectivity is clearly a visible trend in transport development in the region. Under various bilateral, multilateral and self-funded arrangements, member States have taken initiatives, such as the Euro-Asia Transport Linkages project, to develop and/or enhance transport linkages with neighbouring countries as part of the effort to expand connectivity across the region and with other regions. A large number of projects involving the Asian Highway and Trans-Asia Railway routes and other routes of international importance with a focus on improving land transport connectivity between countries have been planned or implemented or are being implemented.

67. Significant progress was also made during the last biennium, including through the secretariat's support in preparing a number of pre-feasibility studies for the Asian Highway and selected dry ports. In Asian landlocked developing countries, major results in developing and upgrading the Asian Highway routes have been achieved, thanks to various bilateral and multilateral efforts, particularly under subregional initiatives, and the strong commitment of countries.

68. The secretariat's collaboration with other United Nations agencies and concerned organizations resulted in the adoption of the Suva Declaration on Improving Maritime and Related Services in the Pacific,²⁸ which has provided a framework for addressing transport connectivity issues of island and archipelagic developing countries.

69. Intergovernmental agreements on the Asian Highway and Trans-Asian Railway networks have played a pivotal role in assisting ESCAP member States to improve intercountry and interregional transport links. As intraregional trade is gaining importance, it is envisaged that, together with the routes of the Asian Highway and Trans-Asian Railway networks, the dry ports of international importance will provide a broad platform to assist countries in defining an hinterland development strategy, help landlocked countries access markets at lower costs than is currently the case and advance the emergence of an efficient logistics industry across the region. The secretariat will continue to work closely with member States in the implementation of the three agreements.

2. Facilitating operational connectivity and reducing logistics costs

70. Despite significant improvement of transport infrastructure, cross-border and transit transport in the Asia-Pacific region continues to face numerous non-physical barriers, which significantly increase costs, travel times and uncertainty, and impede operational transport connectivity.

71. In order to address challenges to international road transport in the region through a common approach in line with the Regional Strategic Framework, the secretariat is supporting member States and their development partners in undertaking programmes and projects to facilitate international land transport.

²⁸ See E/ESCAP/FAMT(2)/6.

72. In this regard, a regional network of legal and technical experts on transport facilitation was established, a series of comparative studies on subregional transport facilitation agreements was conducted and the first meeting of the network was held in February 2014 to adopt the programme of work aimed at assisting member countries in transport facilitation.

73. The secretariat continued to further develop four complementary models for the facilitation of cross-border and transit transport.²⁹ Emphasis has been on promoting wider use of the models by member States and partner organizations. The Time/Cost-Distance Methodology is already being used by member States and partner organizations for monitoring the performance of transport corridors. Several member States in South Asia are exploring ways to apply the Secure Cross-border Transport Model as the basis for the development of national systems for real-time tracking of vehicles and goods.

74. Given the growing realization of railway transport as a means to support sustainable development, the secretariat conducted a study on the facilitation of international railway transport in 2013 in order to identify issues/areas of cooperation among member countries so as to formulate a regional strategy/framework for the facilitation of international railway transport. The findings of the study will be deliberated upon during an expert group meeting that is scheduled to be held in March 2014. The aim of the deliberation is to formulate a draft strategy for cooperation in facilitating international railway transport. The proposed draft strategy/framework will be considered for finalization by the Regional Conference, which is expected to be convened by the end of 2014.

75. The secretariat organized policy dialogues to strengthen transport connectivity in South and South-West Asia in Dhaka on 26 and 27 June 2013 and in Lahore, Pakistan on 9 and 10 December 2013. More policy dialogues are planned in 2014.

76. In the area of logistics, the secretariat has undertaken a study of key issues in the development of logistics policy in order to enhance understanding of the evolving and complex role of logistics service providers and to offer a comprehensive national policy framework with the aim of promoting policy coherence and the development of the industry.

77. To promote efficient and effective logistics, the secretariat is also undertaking a regional study on the use of integrated logistics information systems based on recommendations made at the Regional Seminar on Development of Efficient and Effective Logistics Systems, which was held in Hangzhou, China, on 7 and 8 May 2013.

78. The secretariat has continued to support capacity-building for freight forwarders, multimodal transport operators and logistics service providers through training activities. Also of note, the implementation of a sustainable accredited training system for the region developed by the secretariat has started.

3. Promoting development of inclusive and sustainable transport systems

79. In the outcome document of the United Nations Conference on Sustainable Development, Heads of State and Government and high-level

²⁹ They are Secure Cross-border Transport Model, Model on Integrated Controls at Border Crossings, Efficient Cross-border Transport Model and Time/Cost-Distance Methodology.

representatives renewed the global commitment to sustainable development and recognized that transportation and mobility are central to sustainable development. There was support for various elements of sustainable transportation systems, including: an integrated approach to planning and policymaking; energy efficient multi-modal transport systems; public mass transportation systems; urban-rural linkages; non-motorized mobility; modal-shift; clean fuels and vehicles; road safety; and the needs of landlocked and transit developing countries. In addition, the importance of developing sustainable cities with locally appropriate transportation systems was stressed.¹⁸

80. In this regard, the secretariat continued to promote the development of sustainable and inclusive transportation systems and provided member States with assistance, particularly by focusing on the special development needs of least developed, landlocked developing and small island developing countries. Some of the secretariat's activities in this area are as follows:

(a) Implementation of a project to develop a monitoring and assessment tool³⁰ for carbon dioxide (CO₂) emissions in inland transport in collaboration with other regional commissions to assist governments in analysing policy options for sustainable transport;

(b) Organizing the Regional Capacity-building Workshop on Measurement of Inland Transport CO₂ Emissions and Mitigation Policies and a related national workshop in Bangkok in September 2013;

(c) Conducting a study on policy options for sustainable transport development;

(d) Organizing the Regional Expert Group Meeting on Policy Options for Sustainable Transport Development, which was held in Incheon, Republic of Korea, from 27 to 29 November 2013. A clear message from the meeting was that the status quo on transport development was not an option and that countries and cities need to choose a more viable path for developing sustainable transport systems.

81. Even though some countries are using some form of user charges and others have established and are operating road maintenance funds for sustainable road maintenance, development of a "maintenance culture" and a change in attitudes towards maintenance is needed. In this context, the secretariat convened a regional expert group meeting on road maintenance and management in Hanoi from 29 to 31 May 2013. During the meeting, it was noted that, despite progress in some areas, maintenance of roads and rural roads was still a major challenge for countries in the region. Thus, it would be useful to revitalize the road maintenance initiative and to re-establish road maintenance as an important issue in the international development agenda and to prepare a regional review of road maintenance practices and road funds.

82. Since the launch of the Decade of Action for Road Safety, 2011-2020,³¹ member States have continued to increase their efforts to improve road safety in their countries. In support of the Decade and in line with ESCAP regional goals/indicators/targets, an increasing number of ESCAP members and associate members have launched their own road safety initiatives. The secretariat organized the Expert Group Meeting on Progress in Road Safety Improvement in Asia and the Pacific in Seoul from 8 to 10 May 2013 to focus on issues and challenges related to road safety of vulnerable road users and review progress in improving the road safety

³⁰ ForFITS (For Future Inland Transport System) tool.

³¹ See General Assembly resolution 64/255.

situation in Asia and the Pacific. The meeting adopted a joint statement on improving road safety in Asia and the Pacific, reaffirming the commitment to reduce the level of road traffic fatalities by increasing road safety activities conducted at global regional national and local levels.³² The secretariat, in collaboration with ECE, organized the Europe-Asia Road Safety Forum in New Delhi from 4 to 6 December 2013 to discuss features, benefits and the implementation of the major United Nations road-safety-related conventions, as well as to share interregional experiences and review national updates on road safety progress.

83. The secretariat is implementing the United Nations Development Account project on Strengthening capacities in countries with special needs on designing and implementing economic and social development policies to accelerate progress towards achieving the Millennium Development Goals. Focusing on Cambodia, the Lao People's Democratic Republic, Myanmar, Nepal and Timor-Leste, the project aims to accelerate the achievement of the Millennium Development Goals by strengthening government capacity to design and implement cross-sectoral policies that are cost-effective and have the greatest impact in terms of achieving the Goals. Case studies on cross-sectoral issues pertaining to health, education, water and sanitation, farm to market access and logistics in these countries will be conducted, together with further studies on ways to foster interministry collaboration and institutional processes. Under the project a project inception workshop, a regional seminar and national capacity-building workshops are planned.

84. Recognizing the challenges of financing sustainable infrastructure development, the secretariat is implementing the United Nations Development project on building capacity and facilitating private sector involvement for infrastructure development for less developed countries in the Asia-Pacific region. The project is aimed at supporting less developed countries in further involving the private sector in infrastructure projects, particularly using public-private partnership (PPP) modalities. More specifically, the project is aimed at supporting countries in their efforts to address shortfalls in the PPP policy framework, in building the capacity of government officials to implement PPP projects and in improving access to related information and knowledge. A series of national capacity-building workshops, as well as the establishment of online knowledge portals in each country, are planned.

85. The secretariat will continue its efforts to promote inclusive and sustainable transportation systems that focus on assisting developing member countries: (a) to develop a national framework, strategy and guidelines for sustainable transport system; (b) to strengthen coordination within governments; (c) to strengthen partnerships between the public sector, private sector and development partners; (d) to step up efforts to advocate and raise awareness and build capacities of government officials on elements of sustainable and inclusive transportation systems; and (e) to share and exchange experiences and best practices.

C. Issues for consideration by the Commission

86. The Commission, as recommended by the Forum of Asian Ministers of Transport at its second session, may wish to:

(a) Endorse the report of the Forum of Asian Ministers of Transport at its second session, as well as endorse the Ministerial Declaration on Transport as a Key to Sustainable Development and Regional Integration;

³² See E/ESCAP/FAMT(2)/5, annex.

(b) Request updates from member States on recent progress in the implementation of the Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016), and the Regional Strategic Framework for the Facilitation of International Road Transport.

Section IV

Environment and development

A. Introduction

87. Economic growth has supported significant development gains. At the same time, the hidden costs of the export-led resource-intensive economic growth strategies employed in the region are increasing — and increasingly aggravating — social, environmental and economic risks and resulting in rapidly declining natural capital, climate-related impacts, and alarming trends related to energy security, water resource management and urbanization.³³

88. The United Nations Conference on Sustainable Development engaged the world community in formulating a vision for of a sustainable and inclusive future. As the term of the Millennium Development Goals expires in 2015, the world anticipates agreement on a development agenda which, without prejudging the outcomes of the global processes shaping it, will draw on recommendations for a transformational shift³⁴ with integration of the three dimensions of sustainable development at its core.

B. Key issues and challenges

1. Integrating environmental sustainability into economic and social development

89. Short-term growth strategies aimed at maximizing GDP growth have created a “vicious cycle” — growth driven by the exploitation of human and natural capital. Achieving sustainable development depends on shifting to a virtuous cycle of investment in people and planet — where economic growth is a means of achieving shared prosperity and human well-being within planetary limits — rather than a goal in itself.³⁵

90. Central to this shift is the fundamental integration of the three dimensions of sustainable development, turning the current tradeoffs into synergies by rethinking mainstream economic theories that have helped to create them and focusing on the quality rather than the quantity of growth. Integration additionally requires effective participation in decision-making and implementation, as well as the engagement of the stakeholders in delivering on sustainable development commitments.

91. The General Assembly in its resolution 67/290 on the format and organizational aspects of the high-level political forum on sustainable development identified a role for ESCAP in convening annual regional and subregional meetings to support the mandate of the High-level Political Forum

³³ See E/ESCAP/CED(3)/1. See also E/ESCAP/70/13.

³⁴ *A New Global Partnership: Eradicate Poverty and Transform Economies Through Sustainable Development: The Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda* (New York, United Nations, 2013). Available from www.post2015hlp.org/the-report.

³⁵ *Shifting From Quantity to Quality: Growth with Equality, Efficiency, Sustainability and Dynamism*. (ST/ESCAP/2675).

on Sustainable Development. The secretariat is scheduled to convene the first Asia-Pacific Forum on Sustainable Development in May 2014, and so, is continuing to shape the regional response to the challenge of sustainable development.

92. The upcoming seventh Ministerial Conference on Environment and Development in Asia and the Pacific, scheduled to be held in 2015, will provide another opportunity for regional agenda-setting.³⁶ As the development agenda beyond 2015 is to be defined in late 2015, it may be advisable to postpone the Ministerial Conference to 2016 in order to strengthen its relevance and its coherence with internationally agreed development mandates.

93. Taking into account the ongoing process to formulate the new development agenda and the wide-ranging and comprehensive mandate of the High-level Political Forum on Sustainable Development, as well as General Assembly resolution 61/16 on the strengthening of the Economic and Social Council, the Commission needs to examine its high-level forums, including the Commission session, so that it can effectively respond to the challenge of increasing coherence and streamlining its work related to sustainable development.

94. In response to the changing development context and the outcomes of the United Nations Conference on Sustainable Development,¹⁸ the secretariat faces the additional challenge of enhancing its capacity to integrate the work of its various subprogrammes in order to provide integrated analyses and to better engage stakeholders and the United Nations system.

95. The work of ESCAP has strengthened the capacity of the region to deal with the challenge of sustainable development. Support has been extended to member States as the secretariat continues to work with national entities to deliver capacity and policy development support adapted to country situations, on request.

96. Member countries now have access to opportunities to learn more about key strategies for integrating environmental sustainability into economic and social development through its online e-learning facility,³⁷ which is expanding its coverage of topics and reach through regional and global partnerships. More than 1,200 policymakers and other stakeholders from Asia and the Pacific, Western Asia, Europe and North and Latin America have thus far benefited from this facility. Estimates indicate that this innovative, cost-effective and low-carbon training facility has saved more than \$500 million and reduced the emission of carbon by more than 1,000 tons.

97. Member countries also have access to knowledge products that propose a framework for the quality of growth and indicators for the greening of growth, adapted to developing country perspectives. Collaboration with economic modelers and other institutions in the region has shown that integrating modeling platforms for economic, resource use, climate change and other analysis feasible. Thus, this will be further explored.

98. Asia-Pacific stakeholders — member States, civil society and the private sector — have been engaged in the follow-up to the United Nations Conference on Sustainable Development. Among the results are as follows:

³⁶ See E/ESCAP/CED(3)/1.

³⁷ See www.greengrowth-elearning.org/lms.

(a) The Bangkok Civil Society Declaration: From Inclusion to Just Development was made by representatives of organizations who participated in the Asia-Pacific Civil Society Consultation on a Just and Transformative Post-2015 Development Framework. Organized by ESCAP, the event was held in Bangkok from 26 to 28 August 2013;³⁸

(b) The Bangkok Declaration of the Asia-Pacific region on the United Nations Development Agenda beyond 2015,³⁹ the outcome document of the Asia-Pacific Ministerial Dialogue: From the Millennium Development Goals to the United Nations Development Agenda beyond 2015, which was jointly organized by the secretariat and the Government of Thailand and held in Bangkok from 26 to 28 August 2013.

99. Regional cooperation is essential for developing and delivering on sustainable development commitments. Progress has been made in establishing the institutional arrangements for implementation of the Green Bridge Partnership Programme — a cross-regional initiative of the Government of Kazakhstan — including the signing of its Charter by nine countries, five of which are ESCAP members. The Green Bridge Partnership Programme and the Seoul Initiative Network on Green Growth have initiated work to open access to financing for technology, in particular in the energy sector, and expanded opportunities for the exchange of lessons learned.

2. Strengthening regional cooperation for energy security and water resources management

100. Emerging economies account for more than 90 per cent of global net energy demand growth, with most of it coming from the Asia-Pacific region.⁴⁰ Meanwhile, as of 2010, some 628 million people in the region were without access to electricity and 1.8 billion people were using traditional biomass. The multiple water-related challenges of access, depletion, pollution and disaster in the Asia-Pacific region represent different components of water security. Between 1990 and 2010, an estimated 1.5 billion people in the region gained access to improved water sources. Nevertheless, significant disparities exist between the proportion of the population with access to improved water sources in rural areas as compared to urban areas due to the high rates of economic development and the processes of urbanization.

101. Furthermore, more than half of the region's rural population still lacks access to improved sanitation in many member countries. Poor sanitation and wastewater management in developing countries result in the contamination of freshwater sources, which is a major cause of disease and death and affects the health of eco-systems.

102. The Asia-Pacific region is dealing with a number of issues and challenges with regard to energy security and water resources management. Some of the common constraints centre on the need to set clear policies and strategies, as well as to put in place appropriate institutional arrangements and robust financial mechanisms, including long-term planning, development of regulations and legal frameworks. The approach to energy sector planning and water resources management in the region primarily focuses on the supply and demand of energy and water for economic growth, which often gives rise to

³⁸ <http://peoplesgoals.org/bangkok-civil-society-declaration-from-inclusive-to-just-development/>.

³⁹ See http://apmd2013.unescap.org/documents/APMD2013_Declaration.pdf.

⁴⁰ *World Energy Outlook 2013* (Paris, International Energy Agency, 2013).

challenges in attempting to establish a more integrated approach to sustainable development goals.

103. Among the key issues pertaining to energy security, access to energy services, improvement of energy efficiency and an increased share of renewable energy sources are priorities. These issues were recognized by the Asian and Pacific Energy Forum, which was held in Vladivostok, Russian Federation, from 27 to 30 May 2013. The secretariat is now working with member States to implement the outcomes of the Ministerial Declaration and Plan of Action on Regional Cooperation for Enhanced Energy Security and the Sustainable Use of Energy in Asia and the Pacific: Shaping the Future of Sustainable Energy in Asia and the Pacific.⁴¹ Annual policy dialogue and a regional review and assessment system on the implementation of the outcomes of the Forum were discussed at the regional policy dialogue in December 2013.

104. In its resolution 67/215 on the promotion of new and renewable sources of energy, the General Assembly decided to declare 2014-2024 the United Nations Decade of Sustainable Energy for All. It emphasized the need to improve access to reliable, affordable, economically viable, socially acceptable and environmentally sound energy services and resources for sustainable development. The Secretary-General has launched the Sustainable Energy for All initiative to support the Decade.

105. The secretariat has been implementing different projects to demonstrate the options to integrate energy for sustainable development. Among them are projects to promote access to energy through a pro-poor public-private partnerships mechanism in the Lao People's Democratic Republic and Nepal and to boost affordable sustainable energy options in Asia and the Pacific through South-South cooperation. The latter project led to the signing of the Declaration on Establishing a Pacific Regional Data Repository for Sustainable Energy for All (SE4ALL) by leaders of Pacific countries. Also of note, the secretariat has conducted a study on the "Asian energy highway" concept in which it analysed the strategy for connectivity in the region for enhanced energy security, and is developing a database on energy efficiency policies with a view to harmonizing policies on energy efficiency in North and Central Asia.

106. Management of water resources must be overarching, holistic and integrated in order to effectively tackle water insecurity, ensure the provision of water services, such as water supply and sanitation, and deal with issues related to agriculture, fisheries, hydropower and the environment. Such management is also required to help build resilience to water-related disasters, such as floods, droughts, cyclones, water pollution, landslides and erosion.

107. The secretariat is implementing Commission resolution 69/8 on enhancing knowledge-sharing and cooperation in integrated water resources management in Asia and the Pacific. In the resolution, the Commission requested the Executive Secretary: to coordinate with United Nations and other international agencies to make effective use of technology and innovation; to facilitate the sharing, by members and associate members at the regional and subregional levels, of experiences, best practices and technologies; to continue to provide and support, in consultation with members and associate members, a capacity development programme to manage water-related risks in Asia-Pacific countries.

⁴¹ See E/ESCAP/70/28.

108. The secretariat is working with the United Nations Human Settlements Programme to implement a project in South-East Asia aimed at strengthening the capacity of policymakers to promote policies and develop plans for improving wastewater treatment and reuse in urban and peri-urban areas.

3. Promoting inclusive and sustainable urban development

109. The Asia-Pacific region continues to urbanize. Although urbanization is associated with higher levels of development in the region, this growth also poses considerable challenges in terms of sustainable and inclusive development. More than half a billion people (or 30 per cent of the urban population) in the region were living in slums and did not have access to basic services, such as adequate shelter, safe water and adequate sanitation in 2009.⁴² Megacities tend to garner greater attention, even though most of the region's urban population resides in small and medium-sized towns and cities, which now are experiencing the highest population growth.

110. Rapid economic and urban population growth has also resulted in a number of environmental challenges, such as an increase in the volume and complexity of waste. Municipalities in the region are unable to provide full collection services and to dispose of waste in an environmentally acceptable manner despite spending 20 to 40 per cent of their annual budgets on it.

111. Through the Pro-poor and Sustainable Solid Waste Management in Secondary Cities and Small Towns project, the secretariat is assisting governments in Asia and the Pacific in developing waste strategies that are financially viable, environmentally sound and pro-poor. The project has led to the establishment of waste recycling centres in cities in Bangladesh, Cambodia, Pakistan, Sri Lanka and Viet Nam as multistakeholder public-private partnerships, helped mobilize communities through campaigns to separate waste at the source, and engaged waste pickers and other stakeholders in the informal sector.

112. According to a recent study, by 2030, the world will need at least 50 per cent more food, 45 per cent more energy and 30 per cent more water.⁴³ Increasingly, it is cities that are at the centre of inefficient and unsustainable resource-use patterns and, therefore, it is in cities where the pressure, as well as opportunity, for change lies.

113. Through the project entitled "Integrated resource management in Asian cities: the Urban Nexus", the secretariat and the German Agency for International Cooperation (GIZ) are assisting 10 cities in 6 countries (China, Indonesia, Mongolia, Philippines, Thailand and Viet Nam) in developing strategies and priority interventions to promote resource efficiency.

114. In addition, the secretariat and the Hilti Foundation are implementing a project on alternative building technologies for housing the urban poor which is focused on making affordable and green housing materials, as well as resilient housing systems, available. Projects on eco-efficient water infrastructure and wastewater management in the urban sector have also been

⁴² United Nations, Department of Economic and Social Affairs, Population Division, *World Population Prospects: The 2012 Revision, Highlights and Advance Tables*. ESA/P/WP.228 (New York, 2013).

⁴³ *Resilient People, Resilient Planet: A Future Worth Choosing* (United Nations Sales No. E.12.I.2). Available from www.un.org/gsp/sites/default/files/attachments/GSP_Report_web_final.pdf.

implemented in the Asia-Pacific region, including the development of eco-efficient water infrastructure road maps in both Indonesia and the Philippines.

115. The secretariat has also analysed current practices, challenges and opportunities, and effective models and strategies for sustainable urban planning and effective governance. A study entitled "Planning principles for sustainable and green cities in the Asia-Pacific region: A new platform for engagement" was conducted to analyse current challenges facing cities in the region and to assist municipal governments in setting policies and strategies. The secretariat has also prepared a policy brief and organized a regional workshop on the role of local governments in regard to the outcomes of the United Nations Conference on Sustainable Development. A key focus of these activities was centred on developing more coherent and effective governance relationships at the subnational level.

116. Lastly, pursuant to General Assembly resolution 67/216 on the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme (UN-Habitat) and UN-Habitat Governing Council resolution 24/14 on inputs for and support to the preparatory process of the third United Nations conference on housing and sustainable urban development (Habitat III), the secretariat will be convening regional preparations for the global conference, which is to be held in 2016.

C. Issues for consideration by the Commission

117. The Commission may wish to provide guidance to the secretariat on the following:

(a) Measures and suggestions of key policies and challenges to be addressed by the secretariat work on environment and development;

(b) The postponement of the seventh Ministerial Conference on Environment and Development in Asia and the Pacific from 2015 to 2016, which would provide the Asia-Pacific region with the opportunity to reflect on the results and outcomes from various high-level forums and processes related to sustainable development, such as the High-level Political Forum on Sustainable Development, the Open Working Group on Sustainable Development Goals and the formulation the development agenda beyond 2015 in the consideration of setting the agenda for seventh Ministerial Conference on Environment and Development in Asia and the Pacific;

(c) Implementation of the outcomes of the Asian and Pacific Energy Forum and promotion of the United Nations Decade of Sustainable Energy for All;

(d) Regional preparations for Habitat III in 2016.

Section V

Information and communications technology and disaster risk reduction

A. Introduction

118. Asia and the Pacific continues to be the region most affected by disasters. It experienced several large disasters in 2013. The disaster with the highest humanitarian impact was caused by Typhoon Haiyan, which struck the Philippines and left more than 6,000 dead and 16 million affected, of which

4 million people were displaced.⁴⁴ Floods in Uttarakhand, India, devastated at least 5,000 lives, while Typhoon Phailin decimated the livelihoods of 13 million others in the eastern coast of India.⁴⁵ Drought in China inflicted about \$10 billion in losses,⁴⁶ while Cyclone Mahasen resulted in loss of life and property across several countries in South and South-East Asia. The estimated damage caused by disasters in Asia and the Pacific during the first half of 2013 amounted to \$31 billion or 69 percent of the global damage.⁴⁶ This figure was even higher once the damage caused by Typhoon Haiyan — \$827 million — was taken into account.⁴⁴ These emerging trends clearly show more needs to be done, and done urgently, to address the underlying risk factors, including those driven by population expansion, rapid urbanization, and sustained economic growth, that have generated more assets in the region, and consequently, have increased exposure to disasters.

119. As natural disasters steadily become more frequent, intense and increasingly unpredictable, it is critical to take full advantage of progress in science and technology — areas in which this region excels. While it is well known that space and geographic information system (GIS) applications have proven effective in monitoring, providing early warning and facilitating emergency response during disasters and have become more affordable, the spread of such technologies has been uneven, not fully benefitting the region's most vulnerable. These technologies continue to be underutilized due to lack of capacity in many developing countries in terms of human, scientific, technological, and institutional resources and expertise. Similarly, while the proliferation of affordable broadband-enabled digital devices is creating unprecedented opportunities to store, share, adapt, interpret and create information at all levels of society, the region remains hampered by the growing digital divide in terms of fixed and mobile broadband Internet, a situation that contributes to the widening gulf between the haves and have-nots.

120. The subprogramme deals with pressing contemporary development challenges of building resilience to natural disasters and deepening connectivity in Asia and the Pacific, with the strategic direction provided by the United Nations Conference on Sustainable Development outcome document. The subprogramme is being implemented through a combination of normative and analytical work and capacity-building activities and is well anchored in regional cooperation mechanisms. Since the sixty-ninth session of the Commission, the focus has been on providing multisectoral and multidisciplinary policy guidance for building resilience and deepening connectivity; building capacity in disaster risk reduction, especially through the application of space technologies and GIS; extending demand-driven regional

⁴⁴ Philippines, National Disaster Risk Reduction and Management Council, "Effects of Typhoon Yolanda (Haiyan)", NDRRMC Update, SitRep No. 92 (14 January 2014). Available from <http://ndrrmc.gov.ph/attachments/article/1125/NDRRMC%20Update%20re%20Sit%20Rep%2092%20Effects%20of%20TY%20YOLANDA.pdf>.

⁴⁵ India, Government of Odisha, Revenue and Disaster Management Department, "Memorandum on the very severe cyclone Phailin and the subsequent flood 12-15 October 2013", India, Government of Uttarakhand, ADB and World Bank, "India Uttarakhand disaster June 2013", Joint Rapid Damage and Needs Assessment Report (August 2013). Available from <http://documents.worldbank.org/curated/en/2013/06/18514275/india-uttarakhand-disaster-joint-rapid-damage-needs-assessment-report>.

⁴⁶ Centre for Research on the Epidemiology of Disasters (CRED), Université Catholique de Louvain, "Disaster data: a balanced perspective", CRED CRUNCH, No. 33, November 2013. Available from (<http://cred.be/sites/default/files/CredCrunch33.pdf>).

B. Key issues and challenges

1. Building resilience to natural disasters

121. As the agenda of the United Nations Conference on Sustainable Development is being implemented and the transition to the development agenda beyond 2015 and the Hyogo Framework for Action 2 are ongoing, there is yet to be a clear framework on how to monitor resilience. During the sixty-ninth session of the Commission and the third session of the Committee on Disaster Risk Reduction, member States expressed the need for indicators and data to make risk-informed policy and pre-disaster investment decisions. Pursuant to Commission resolution 69/12 on enhancing regional cooperation for building resilience to disasters in Asia and the Pacific, the secretariat will continue to work towards enhanced monitoring of resilience in close coordination with the Committee on Statistics and in alignment with the post-2015 development framework. In partnership with relevant United Nations agencies, the secretariat has been undertaking country studies on resilience indicators, and has developed a road map to bring the resilience monitoring to relevant regional and global policy forums.

122. The theme study for the sixty-ninth session of the Commission, on building resilience to natural disasters and major economic crises,¹⁰ and the follow-up work by the secretariat have increasingly reoriented the region's policy discourse from a post-disaster response approach towards a more comprehensive agenda of building long-term resilience to disasters. As a result, more than 200 government officials and experts from the planning, finance, environment and disaster risk reduction sectors deliberated and made recommendations to the Committee on Disaster Risk Reduction at its third session, which was held in Bangkok from 27 to 29 November 2013. They emphasized the urgent need for monitoring resilience, integrating disaster risk reduction and climate change adaptation, and developing a strategic voice for the region in global forums for the development and risk reduction agendas beyond 2015.⁴⁵

123. Gaps in mainstreaming disaster risk reduction into development and sectoral strategies expose vulnerable countries and communities to greater disaster risks. To address this, in the last two years, in-depth regional advisory services have been provided, on request, to 13 member States. The outcomes of these services have been significant, particularly in high-risk and low-capacity least developed countries. For example, in Afghanistan, regional advisory services led to the development of the Strategic National Action Plan for Disaster Risk Reduction, which has contributed to the identification and prioritization of key projects under the multi-stakeholder Istanbul Process on Regional Security and Cooperation for a Secure and Stable Afghanistan. The ongoing technical assistance extended to Maldives in formulating the National Disaster Management Plan for implementing the country's Disaster Management Bill 2013, delivered as a "One UN" initiative, is another example of the secretariat's involvement in longer-term, substantive policy formulation. Regional advisory services were also extended to support the implementation of Commission resolution 67/4 on the establishment of the Asian and Pacific centre for the development of disaster information management. Advisory services directed at facilitating the multi-stakeholder consultations in Afghanistan, Bhutan, Cambodia and Mongolia have helped in the ongoing

⁴⁷ See E/ESCAP/70/14.

efforts to integrate disaster risk reduction into the development agenda beyond 2015 in those countries.

124. At the sixty-ninth session of the Commission, member States reaffirmed that the ESCAP Multi-Donor Trust Fund for Tsunami, Disaster and Climate Preparedness in Indian Ocean and Southeast Asian countries had contributed significantly to the region's early warning and called for its continuation. The Trust Fund has also helped provide cost-effective warning to 19 low-capacity countries. As there are still underserved high-risk countries, the Trust Fund plans to expand its services following a fresh contribution of \$650,000 by GIZ.

125. The secretariat will continue to provide member States with policy options, regional advisory services, capacity-building and tools to mainstream disaster and climate change risk reduction into development strategies. Moreover, it will also continue to serve as an intergovernmental platform for member States to forge South-South cooperation on disaster risk reduction.

2. Application of space technology for disaster risk reduction and sustainable development

126. Pursuant to Commission resolution 69/11, the secretariat has taken the lead at the regional level in implementing the Asia-Pacific Plan of Action for Applications of Space Technology and Geographic Information Systems for Disaster Risk Reduction and Sustainable Development, 2012-2017.⁴⁸ The secretariat has been entrusted with harmonizing and enhancing existing regional initiatives, pooling expertise and resources at the regional and subregional levels to better serve the member States, and acting as a clearing house for good practices and lessons. It has focused on four areas of work, paying particular attention to countries with special needs: (a) timely provision of near real-time satellite imagery and damage maps during disasters; (b) operationalization of the Regional Cooperative Mechanism for Drought Monitoring and Early Warning; (c) in-depth capacity development in space technology and GIS applications for disaster risk reduction; and (d) evidence-based research and policy analysis to strengthen the use of space applications in disaster risk reduction and sustainable development.

127. When severe disasters strike countries in the region, the secretariat mobilizes, on request by member States, space-based data and damage maps for disaster response, relief efforts and damage assessment, through its long-standing Regional Space Applications Programme for Sustainable Development (RESAP) and its strategic partner, the United Nations Institute for Training and research (UNITAR) Operational Satellite Applications Programme (UNOSAT). For example, such support was extended during the following disasters: tropical Cyclone Mahasen, which hit Bangladesh and Myanmar in May 2013; an earthquake, which brought deadly destruction to Lushan County, China, in April 2013; serious floods, caused by heavy rain, occurred in Pakistan and north-eastern China in August 2013; and Typhoon Haiyan, which struck the Philippines in November 2013. In the last two years, more than 150 scenes of near real-time and archived satellite imagery, as well as damage maps, have been provided to member States through this initiative.

128. In order to address the challenges of drought, a creeping disaster affecting many countries in the Asia-Pacific region, the secretariat has operationalized a regional mechanism on drought, a flagship project under

⁴⁸ Commission resolution 69/11, annex.

RESAP. The Asia-Pacific region has the largest number of people affected by droughts of any continent. Many countries in the region face tremendous challenges in drought disaster preparedness, particularly in monitoring and early warning aspects. The Drought Mechanism provides space-based data, products and services, and strengthens capacity of member States in addressing gaps in monitoring and early warning of agricultural drought. It has developed its own architecture by putting in place two regional service nodes, in China and in India, that act as repositories of satellite data from multiple sources and an online platform to disseminate and share data/products, and providing specialized capacity-building training. The secretariat has also brought together a pool of experts in the region to undertake technical assistance and support the implementation of related projects in pilot countries. The Drought Mechanism, which is initiated on request, is active in five pilot countries (Cambodia, Mongolia, Myanmar, Nepal and Sri Lanka).

129. Since the sixty-ninth session of the Commission, the secretariat has provided a series of thematic training on the effective use of space technology and GIS applications for disaster risk reduction and sustainable development, which have benefited approximately 400 policymakers and practitioners from close to 30 developing countries in the region. Several of these capacity-building activities were conducted through RESAP training nodes at the Centre for Space Science and Technology Education in Asia and the Pacific (CSSTEAP) in Dehradun, India, training partners at the Asian Institute of Technology (AIT) and the Chinese University of Hong Kong, China. The secretariat is promoting the use of online geo-referenced information systems for disaster risk management that combines disaster data with disaggregated socioeconomic data for evidence-based policymaking and effective disaster management. The prototype systems, which have been provided to Afghanistan, Bangladesh, the Cook Islands, Kyrgyzstan, Mongolia and Nepal, were enriched with disaster data that are shared across government agencies for strengthening disaster risk reduction, relief and response work.

130. The secretariat has been providing research and policy analysis on the status of space technology applications in the region, as well as on the emerging needs and challenges. As part of this work, the secretariat maintains and continually updates a regional inventory on space applications and GIS in order to help gauge existing technical capacity and gaps and facilitate a customized capacity development programme for countries in the region.

131. In line with the "One UN" policy, the space applications programme is delivered in close collaboration with relevant United Nations agencies and regional initiatives, such as AIT, the Asia-Pacific Space Cooperation Organization (APSCO), CSSTEAP, the Regional Integrated Multi-hazard Early Warning System for Africa and Asia (RIMES), Sentinel Asia and the Applied Geoscience and Technology Division (SOPAC) of the Secretariat of the Pacific Community.

3. Facilitating a seamless regional information space for addressing the digital divide

132. Despite the innovative digital opportunities unleashed by broadband Internet and other information and communications technologies (ICTs), the Asia-Pacific region remains the most digitally divided region in the world. For example, in the Republic of Korea, 99.6 per cent of young people have been active on the Internet for at least five years while, in Timor-Leste, this figure is less than 1 per cent. This growing divide was echoed in the outcome document of the United Nations Conference on Sustainable Development, in which the need to work towards improved access to ICT, especially broadband network

and services, and bridge the digital divide to facilitate the flow of information between governments and the public was emphasized.¹⁸

133. A key barrier to the universal uptake of broadband Internet in Asia and the Pacific is the high cost of international bandwidth. This can be attributed to weaknesses in the overall ICT infrastructure in the region, including reliance on sea-based optical fiber, fragmented land-based ICT infrastructure and a lack of sufficient cross-border connectivity. Most of the region's broadband connectivity has been developed in a hub-and-spoke configuration around technologically advanced countries, while the role of point-to-point connectivity utilizing land-based infrastructure remains limited. As a result, competition among suppliers is weak and bandwidth in the region is still significantly more expensive than in Europe and North America. Without adequate ICT infrastructure that leverages cross-border linkages and provides sufficient international bandwidth at affordable prices, the vast potential that broadband Internet connectivity can bring to transformative developmental outcomes remains untapped.

134. In the light of these challenges and in implementing Commission resolution 69/10 on promoting regional information and communications technology connectivity and building knowledge-networked societies in Asia and the Pacific, the secretariat, under the auspices of the Chairman of the Committee on Information and Communications Technology, undertook a number of initiatives that were aimed at enhancing regional broadband connectivity. The secretariat developed, in partnership with the International Telecommunication Union (ITU), the first regional map of Internet backbone networks in Asia and the Pacific. The interactive map provides detailed route information for all of the major fiber-optic networks in the region, and is digitally superimposed onto the Asian Highway and Asian Trans-Railway maps, furnishing a crucial tool for policymakers in their efforts to implement ICT policies for inclusive and sustainable development. In addition to visualizing an Asian information superhighway, the map shows areas where key ICT infrastructure may be missing, as well as opportunities for synchronized planning and deployment of ICT and transport infrastructure. The secretariat also carried out detailed broadband infrastructure studies and stakeholder consultations in South-East Asia and Central Asia, and plans to conduct similar activities in South Asia and in East Asia. Collectively, these initiatives will provide a road map for the development of pan-Asian connectivity that would deliver affordable broadband Internet across the region.

135. The secretariat carried out a regional review on progress made towards achieving the targets set in the Geneva Plan of Action adopted by the World Summit on the Information Society.⁴⁹ The regional review, which took into account inputs from member States and other data sources, provides a key resource for policymakers in benchmarking progress toward reaching the targets of the Summit and in developing strategies to enhance connectivity for sustainable development.

136. In the area of ICT for disaster risk management, the secretariat strengthened its partnership with the Asian Disaster Preparedness Center and the Pacific Disaster Center for the continued development of the Asia-Pacific Gateway for Disaster Risk Management and Development. The online knowledge platform provides a range of interactive tools and products,

⁴⁹ The Declaration of Principles and Geneva Plan of Action (see A/C.2/59/3, annex) and the Tunis Commitment and Tunis Agenda (see A/60/687).

including an inventory of hazard, vulnerability and risk assessments, geo-referenced data and images from disaster-affected areas, and a comprehensive database of programmes and policies that enable government ministries, civil society and national development planning authorities to mainstream disaster risk management principles, concepts and practices into development processes.

4. **Building human and institutional capacities to leverage ICT for national development**

137. The Asian and Pacific Training Centre for Information and Communication Technology for Development (APCICT) continues to strengthen the human and institutional capacities of ESCAP member States in using ICT for socioeconomic development. The Centre develops, implements and delivers demand-driven ICT for development (ICTD) programmes and services in the areas of training, research and knowledge-sharing, advisory services and multilateral cooperation.

138. The Centre's flagship programme for government officials and policymakers is called the Academy of ICT Essentials for Government Leaders, which consists of an 11-module training curriculum that has been developed through a participatory and inclusive approach. The programme has been adopted by an increasing number of ESCAP member States, demonstrating its relevance to and impact on national development strategies and programmes. Launched in 27 countries, in cooperation with national and subregional partners, the Academy continues to be institutionalized and integrated into national capacity-building frameworks and programmes. It is also being offered in other regions, namely Africa, the Middle East, and Latin America and the Caribbean, in collaboration with the United Nations regional commissions and regional development banks.

139. To complement the Academy programme, the Centre also conducts knowledge-sharing initiatives that enhance awareness of policymakers and government officials on ICT trends and practices. These include the development of the *Knowledge Sharing Series* publication, which provides government leaders with practical guidelines and know-how on developing and implementing ICT initiatives and programmes, including supporting policies and strategies. Three issues have been developed to date on the topics of ICTD institution building, cybersecurity, and the development of the Government Chief Information Officer programme development.

140. Recognizing the need to equip society's future leaders — students and youth — with the requisite knowledge and skills on using ICT for development, APCICT also continues to broaden and deepen the impact of its second flagship programme entitled "Turning Today's Youth into Tomorrow's Leaders". The programme imparts key ICTD knowledge to students and youth by expanding the coverage of ICTD education in university curricula.

141. Under this programme, the Centre initiated the Primer Series on ICTD for Youth project, which serves as a learning resource to help educators fill the gap in ICTD coverage in universities and academic institutions. The Primer Series has been in strong demand in the region. Thus far, it has been rolled out in 13 countries and introduced in two subregions.

142. To further expand and widen the reach of the programmes to more beneficiaries, APCICT offers distance-learning versions of the Virtual Academy and Primer Series, as well as research findings and other publications through its online platforms.

C. Issues for consideration by the Commission

143. The Commission may wish to take the following actions:

(a) Endorse the recommendations of the Committee on Disaster Risk Reduction on its third session (see E/ESCAP/70/14);

(b) Identify priorities and provide the secretariat with guidance on appropriate approaches in its future work, taking into account the recommendations of the Committee on Disaster Risk Reduction at its third session;

(c) Encourage member States to carry out activities identified in and inform the secretariat on steps taken to implement Commission resolution 69/11 and the Asia-Pacific Plan of Action for Applications of Space Technology and Geographic Information Systems for Disaster Risk Reduction and Sustainable Development, 2012-2017;

(d) Encourage member States to exchange information and share good practices in using space technology and GIS for disaster risk reduction and to support RESAP and the Drought Mechanism;

(e) Provide the secretariat with guidance on the continued development of the Asia-Pacific information superhighway initiative for affordable broadband connectivity across the region.

Section VI Social development

A. Introduction

144. The year 2015 will mark the twentieth anniversary of the adoption of the Beijing Declaration and Platform for Action by the Fourth World Conference on Women.⁵⁰ As mandated in Economic and Social Council resolution 2013/18 on the future organization and methods of work of the Commission on the Status of Women, the international community, through the Commission on the Status of Women, will undertake a global “review and appraisal of the implementation of the Beijing Declaration and Platform for Action and the outcomes of the twenty-third special session of the General Assembly,⁵¹ including current challenges that affect the implementation of the Platform for Action and the achievement of gender equality and the empowerment of women, as well as opportunities for strengthening gender equality and the empowerment of women in the post-2015 development agenda through the integration of a gender perspective”.

145. To prepare for the above-mentioned global review, the Economic and Social Council has called upon “all States to undertake comprehensive national-level reviews of the progress made, and challenges encountered, in the implementation of the Beijing Declaration and Platform for Action and the outcomes of the twenty-third special session of the General Assembly, and encourages the regional commissions to undertake regional reviews so that the outcomes of intergovernmental processes at the regional level can feed into the 2015 review”.

⁵⁰ *Report of the Fourth World Conference on Women, Beijing, 4–15 September 1995* (United Nations publication, Sales No. E.96.IV.13), chap. I, resolution I, annexes I and II.

⁵¹ General Assembly resolution S-23/2, annex, and resolution S-23/3, annex.

146. In line with the above-mentioned mandate, the five regional commissions, including ESCAP, have initiated, in cooperation with UN-Women, the regional process for reviewing and appraising the implementation of the Beijing Declaration and Platform for Action.

147. The Commission's views are sought with regard to the preparatory activities to be undertaken in the ESCAP region in the lead-up to the 2015 global review to mark the twentieth anniversary of the adoption of the Beijing Declaration and Platform for Action by the Fourth World Conference on Women.

B. Asia-Pacific 20-year review of progress in the implementation of the Beijing Platform for Action in Asia and the Pacific

148. The Beijing+20 regional review process will provide a critical opportunity for delineating achievements and challenges in the implementation of the Beijing Platform for Action in the last 20 years, as well as for identifying regional priorities and strategies for advancing gender equality and women's empowerment in Asia and the Pacific, particularly in the context of the formulation of a post-2015 development framework.

149. The principle objective of the Beijing Platform for Action is the empowerment of women, an objective that is deemed a prerequisite for equality, development and peace. To realize the objective of advancing and empowering women and girls, the Beijing Platform for Action calls upon all States, the United Nations system, international and regional institutions, and civil society, including the private sector, to take action in 12 critical areas of concern: (a) poverty; (b) education and training; (c) health; (d) violence; (e) armed conflict; (f) the economy; (g) power and decision-making; (h) institutional mechanisms for the advancement of women; (i) human rights; (j) the media; (k) the environment; and (l) the girl child.

150. Since the adoption of the Beijing Platform for Action in 1995, a review has been undertaken every five years on the progress in its implementation at the global and regional levels. While progress has been evident in such critical areas of concern as education and health, women and girls across Asia and the Pacific continue to face discrimination and obstacles to obtaining full and free exercise of their fundamental rights. The review of the situation of women and girls with respect to their empowerment and equality with men and boys is timely, given that the twentieth anniversary of the adoption of the Beijing Platform for Action will occur at the historic juncture when the Millennium Development Goals are evaluated and a new global development framework is formulated.

151. In the ESCAP region, the proposed Beijing+20 regional review is intended to be a comprehensive and participatory process comprising:

- (a) A review and analysis of progress and remaining challenges;
- (b) Stakeholder engagement;
- (c) The convening of intergovernmental meetings for consensus building.

152. The above process is expected to lead to an intergovernmental outcome that reflects regional priorities and informs the global process with regard to both the Beijing+20 review and the development agenda beyond 2015.

1. Review and analysis of progress and remaining challenges

153. It is proposed that the review of progress and remaining challenges in the implementation of the Beijing Platform for Action be based on the following inputs:

(a) Feedback from governments, in the form of national-level responses, to the global Guidance Note for the Preparation of National Reviews issued in September 2013 by the United Nations Secretariat in cooperation with UN-Women;⁵²

(b) Feedback from governments to a supplementary region-specific survey issued by the ESCAP secretariat in January 2014, which focuses on the 12 "critical areas of concern" of the Beijing Platform for Action. The regional survey was formulated to enable feedback from governments to be aggregated in order to present a regional overview of progress in the 12 "critical areas of concern" for Asia and the Pacific, as well as to identify gaps in which further efforts will be required to fully realize gender equality and women's empowerment;

(c) Supplementary information from other relevant analyses and stakeholder inputs.

154. The secretariat intends to compile, analyse and synthesise data from both the national review reports and completed regional survey of member States, in addition to other relevant information, to produce a comprehensive regional report on progress in the implementation of the Beijing Declaration and Platform for Action and the outcomes of the twenty-third special session of the General Assembly.

155. The contribution from member States will be critical in shaping the regional report, determining priorities for Asia and the Pacific and serving as a regional input to the global process. The outcome of the analysis will also provide background for the deliberations of the Asian and Pacific Conference on Gender Equality and Women's Empowerment: Beijing+20 Review, which will be convened at the ministerial level by ESCAP, in cooperation with UN-Women, from 10 to 14 November 2014 in Bangkok.

2. Stakeholder engagement

156. The extensive on-the-ground experience of stakeholders will be tapped to enrich the Beijing+20 review process. The secretariat plans to seek the inputs of civil society to the analytical review of progress in implementing the Beijing Platform for Action, as well as to engage them in the preparations for the Asian and Pacific Conference on Gender Equality and Women's Empowerment: Beijing+20 Review. In addition, civil society organizations will be invited to attend the Conference in accordance with established practice.

3. Convening of intergovernmental meetings for consensus building

157. To ensure that the review and appraisal process is member-State driven, the Committee on Social Development at its third session, to be convened in Bangkok from 23 to 25 June 2014, will, among other things, serve as a regional preparatory body for the convening of the Asian and Pacific Conference on Gender Equality and Women's Empowerment: Beijing+20 Review. The

⁵² See www.unwomen.org/~media/Headquarters/Attachments/Sections/CSW/59/BeijingPlus20-GuidanceNote-en.pdf.

Committee is expected to provide guidance on the agenda, programme and expected draft outcome document of the Conference.

158. The Conference participants will be comprised of ministers and senior officials from ESCAP member States, who will deliberate on progress and challenges encountered in the implementation of the Beijing Declaration and Platform for Action, as well as on the outcomes of the twenty-third special session of the General Assembly, and chart the way forward to accelerate actions to achieve gender equality and women's empowerment in the Asian and Pacific region. To ensure an inclusive approach, representatives from other intergovernmental entities, civil society, development cooperation partners and the United Nations system will also be invited to attend the Conference.

159. It is anticipated that the regional review of progress in the implementation of the Beijing Platform for Action will culminate in an outcome document, prospectively in the form of a ministerial declaration of the Asian and Pacific Conference on Gender Equality and Women's Empowerment: Beijing+20 Review. Through the outcome document, member States will be able to do the following: (a) reconfirm their commitment to concerted action on the 12 critical areas of concern of the Beijing Platform for Action; and (b) delineate the priority actions for the period beyond 2015.

160. In addition, it is intended that the outcome document of the Conference will contribute to the formulation of a global agenda for the realization of gender equality and the empowerment of women.

C. Issues for consideration by the Commission

161. Effectively addressing the many forms of gender inequality remains an essential prerequisite for advancing inclusive, equitable and sustainable development in Asia and the Pacific. With the 20-year review of progress in implementation of the Beijing Platform for Action, alongside reflections on the realization of the Millennium Development Goals and the formulation of the development framework beyond 2015, reaffirmation of the commitment to achieve gender equality and women's empowerment is timely.

162. The Commission's specific guidance and decision are thus requested on the following:

(a) Endorsement of the proposed regional process, as outlined above, to review and appraise the regional implementation of the Beijing Declaration and Platform for Action and the outcomes of the twenty-third special session of the General Assembly;

(b) Identification of priority areas for regional cooperation that could support national efforts in furthering implementation of the Beijing Platform for Action. These include issues that are currently being addressed by ESCAP, namely women's economic empowerment, ending violence against women and girls, gender mainstreaming and strengthening national women's machineries;

(c) Inclusion of gender equality and women's empowerment in the development agenda beyond 2015, including consideration of a specific goal on gender equality and women's empowerment in addition to mainstreaming gender across all other goals.

Section VII Statistics

A. Introduction

163. The shift from the Millennium Development Goals to the development agenda beyond 2015 combined with strengthened regional cooperation through the ESCAP Committee on Statistics is creating unique opportunities for statistics development in Asia and the Pacific. As underlined by the report of the Secretary-General's High-level Panel of Eminent Persons on the Post-2015 Development Agenda,⁵³ statistics is not only a monitoring tool, but it is also vital instrument for facilitating development by enabling governments to plan more effectively and efficiently and for providing information that empowers individuals and the private sector. The "new data revolution" called for by the High-level Panel must come to fruition in order to fully realize the power of statistics for development.

164. Key initiatives aimed at advancing statistics development in Asia and the Pacific include a variety of capacity-development programmes pursued under the guidance of the secretariat. Some highlights during 2014 are the Ministerial Conference on Civil Registration and Vital Statistics in Asia and the Pacific, which will be held from 24 to 28 November, and the fourth session of the Committee of Statistics, which will be held in Bangkok from 16 to 18 December.

B. Key issues and challenges

1. Preparations for the Ministerial Conference on Civil Registration and Vital Statistics in Asia and the Pacific

165. Civil registration and vital statistics systems are associated with multiple benefits at the individual and societal levels. Responsibility for civil registration and vital statistics systems is typically shared among various departments of government, such as the ministry of interior or home affairs, ministry of justice, ministry of health, national statistical office and local government. A well-functioning civil registration and vital statistics system therefore requires substantial coordination and collaboration.

166. The official registration of important life events — including births, deaths and marriages — is crucial for individuals to establish legal identity and family relationships and to enable them to participate in modern societies and exercise their rights. Vital statistics generated through civil registration provide indispensable information about the demographics and health of the population, allowing policymakers to identify individuals and populations at risk and enabling good governance by making policies and interventions more effective and responsive to people's needs. Civil registration and vital statistics systems, when universal, are the preferred source of data for measuring many of the Millennium Development Goal indicators, such as those related to infant and maternal mortality.

167. The Commission in its resolution 69/15 on implementing the outcome of the High-level Meeting on the Improvement of Civil Registration and Vital Statistics in Asia and the Pacific expressed alarmed that the majority of members and associate members lack civil registration and vital statistics systems that are well functioning and meet relevant international standards and

⁵³ See www.un.org/sgf/management/pdf/Final%20Communique%20Bali.pdf.

recommendations. Data released by the United Nations Children's Fund (UNICEF) in December 2013 estimated that 135 million children in Asia and the Pacific (excluding China) have not had their birth registered, representing 59 per cent of the global total. Meanwhile, just 26 ESCAP member States report cause-of-death statistics to the World Health Organization, and for many member States, this data cover less than two-thirds of all deaths that take place in their territory.⁵⁴ Since March 2013, the Human Rights Council,⁵⁵ the Executive Committee of the United Nations Refugee Agency,⁵⁶ the Independent Expert Review Group of the Commission for Information and Accountability for Women's and Children's Health⁵⁷ have recognized the urgency of improving civil registration and vital statistics and called for the mobilization of international actors, particularly the United Nations system, to assist governments to this end.

168. In the outcome of the High-level Meeting on the Improvement of Civil Registration and Vital Statistics in Asia and the Pacific, which was held in Bangkok from 10 to 12 December, pursuant to Commission resolution 67/12 on the improvement of civil registration and vital statistics in Asia and Pacific, the necessity of political commitment, a multisectoral approach and endorsement of regional milestones and indicators for monitoring and reporting the state of civil registration and vital statistics systems was stressed.⁵⁸ The Commission subsequently adopted resolution 69/15, in which the Executive Secretary was requested:

(a) To convene, in 2014, an intergovernmental regional meeting of ministers of health, ministers responsible for civil registration and heads of national statistical organizations, other relevant government stakeholders and senior officials of relevant development partners;

(b) To collaborate closely with relevant donors and development partners to establish a well-coordinated funding and advocacy campaign;

(c) To establish a regional steering group on civil registration and vital statistics under the auspices of the Committee on Statistics comprising representatives of the health, civil registration and statistics sectors and of relevant development partners.

169. In December 2013, the regional steering group held its first meeting and recommended that a regional action framework containing a vision, goals, targets and indicators for a period of a "CRVS decade" from 2015 to 2024 be presented for endorsement at the ministerial conference along with a ministerial declaration. The regional steering group agreed on a vision that, "all people in Asia and the Pacific benefit from universal and responsive civil registration and vital statistics systems that facilitate their rights, and support good governance and development". It further recommended the setting of three goals that reflect the following themes:

⁵⁴ World Health Organization, "Global Health Observatory (GHO)". Available from www.who.int/gho/en/.

⁵⁵ Human Rights Council resolution 22/7.

⁵⁶ United Nations Refugee Agency EXCom Conclusion No. 111 (LXIV).

⁵⁷ Every Woman, Every Child: Strengthening Equity and Dignity through Health, the second report of the independent Expert Review Group (iERG) on Information and Accountability for Women's and Children's health. Available from http://apps.who.int/iris/bitstream/10665/85757/1/9789241505949_eng.pdf?ua=1.

⁵⁸ See E/ESCAP/69/26.

- (a) Universal civil registration coverage;
- (b) All individuals have legal documentation that can be used to claim identity, civil status and ensuing rights;
- (c) Accurate, complete and timely vital statistics are produced based on civil registration records.

170. In order to facilitate the endorsement of the regional action framework and ministerial declaration, particularly recognizing the cross-cutting nature of the issue, the regional steering group endorsed a comprehensive road map of consultations leading up to the ministerial conference, including the convening of a regional preparatory meeting in Bangkok during August 2014.

171. Prior to the regional preparatory meeting and in support of multisectoral consultations with relevant stakeholders, the secretariat will invite member States, through their permanent representatives, to initiate a national review of the draft regional action framework and make written submissions.

172. A universal and responsive civil registration and vital statistics system requires a whole-of-government approach, clear delineation of responsibilities across many departments of government and significant investment. Therefore, the success of the regional action framework depends on obtaining an endorsement from the highest levels of government during the ministerial conference.

173. In January 2014, the Government of the Philippines generously offered to host the ministerial conference in November 2014.

174. The Commission may wish to make note of the need for multisectoral consultations prior to the Ministerial Conference on Civil Registration and Vital Statistics in Asia and the Pacific and of the importance of ministerial-level representation at the event for endorsement of the regional action framework.

2. Positioning statistics in the development agenda beyond 2015

175. The importance of statistics for decision-making by governments, the private sector, individuals and international organizations has been galvanized over the past decade through the growing influence and availability of data from conventional and unconventional sources and the adoption and implementation of the Millennium Development Goals. Countries and international organizations have mobilized efforts to produce more and better data to compile the Millennium Development Goals indicators, and dialogue has been encouraged and facilitated among policymakers, civil society and statisticians for setting the design of national goals and the preparing regular monitoring reports.

176. However, despite great strides in improving the availability and quality of statistics, many countries in the region, particularly countries where development challenges are the greatest, still lack timely and accurate basic statistics to inform policies and programmes. The development community must work together to break the link between poor countries and poor data.

177. The ongoing deliberations on the development agenda beyond 2015 indicate that the development of statistics must be accelerated in order to ensure that relevant, timely and high-quality statistics are available to underpin the emerging agenda. The report of the High-level Panel of Eminent Persons on the Post-2015 Development Agenda, released in May 2013, with its

message that “Too often, development efforts have been hampered by a lack of the most basic data about the social and economic circumstances in which people live” has placed statistics at the heart of the development debate.⁵⁰

178. As the central issues of a development agenda beyond 2015 are being deliberated, additional demands for data and needs for new measurement standards and tools are emerging. For example, to respond to the call for targets to be monitored and met for all groups of society, localized data must be available to supplement national averages in order to identify subsets of populations and design targeted interventions. Prominent emerging demands also include the development of broader measures of progress to complement gross domestic product and new measures to underpin the integration of the economic, social and environmental dimensions of sustainable development. Governance, which may emerge as a “fourth pillar” of sustainable development, poses still further challenges to the statistical community.

179. The lack of relevant data referred to by the Secretary-General’s High-level Panel of Eminent Persons is the result of deficiencies in national statistical systems, which must be addressed by improving those systems.

180. The ambitious measurement and monitoring agenda that is emerging cannot fully be implemented without transforming the structures and processes that currently govern statistics production, nor will it happen without transforming the world’s perception of statistics.

181. This has been recognized through the call for a “new data revolution” to strengthen evidence-based decision-making and accountability of governments and a variety of other players and to ensure that the increasing amount of information being generated is used to support development. In order for such a data revolution to come to fruition, the statistical community must develop new measurements in the areas of sustainable development and governance, as well as standards, classifications and methodologies to support meaningful use of new data sources.

182. The statistical community cannot make these changes on its own. Increased engagement with the development community, as well as with a broader range of data providers, often in the private sector, is needed to ensure a rapid and broad application of new technologies, standards, classifications and methodologies, and the relevance of new concepts and related measurements.

183. It is critical that national statistical systems have sufficient resources to carry out this work, which will require significant additional investments.

Repositioning statistics to respond to emerging challenges

184. Leaders of national statistical systems in Asia and the Pacific discussed topical issues for statistics development under the theme “Positioning statistics as a development imperative: Opportunities in the context of formulating the post-2015 development agenda” at a meeting organized by the Statistical Institute for Asia and the Pacific (SIAP) in Chiba, Japan, on 21 to 22 November as part of the Eleventh Management Seminar for Heads of National Statistical Organizations in Asia and the Pacific.

⁵⁰ *A New Global Partnership: Eradicate Poverty and Transform Economies Through Sustainable Development. The Report of the High-Level Panel of Eminent Persons on the Post-2015 Agenda*, p. 23. Available at: www.un.org/sg/management/pdf/HLP_P2015_Report.pdf.

185. Guided by the deliberations at the management seminar, the secretariat prepared the paper entitled “Statistics and the post-2015 development agenda: Perspectives from the Asia-Pacific region”⁶⁰ for submission to the United Nations Statistical Commission at its forty-fifth session, which was held in New York from 4 to 7 March 2014. In the paper, it is argued that statistics must be positioned as a development objective in its own right in order for statistical systems to remain relevant and equipped to meet demands. Statistics need to be endorsed as the natural resources of development, and a well-functioning statistical system as a fundament of good governance. The global statistical community is urged to take urgent action to leverage to the maximum the opportunity presented by the formulation of the development agenda beyond 2015 so as to ensure that statistical systems are equipped to meet future challenges. One powerful way of doing this would be to place statistics development firmly as a goal in the development agenda beyond 2015.

186. The deliberations at the Eleventh Management Seminar also provided the substantive basis for the inputs on statistical connectivity to the theme study for the seventieth session of the Commission.⁶¹ In the context of bilateral, multilateral and international policy dialogue, a shared understanding of trends, issues and bottlenecks is a key ingredient for consensus-building on cross-border issues, such as trade, labour mobility, immigration, education standards, transport and tourism. In the paper, it is argued that statistical connectivity — understood as “the extent to which countries produce, disseminate and use statistics that adhere to mutually agreed statistical standards” — is a prerequisite for such understanding to be built.

187. The seventieth session of the Commission provides a timely opportunity for member States to comment on the importance of statistics for development, bearing in mind the ongoing deliberations on the development agenda beyond 2015, the call for a global partnership to effectuate the “new data revolution” and the resulting needs for sustained, additional investments in national statistical systems.

3. Advancing statistics development through regional cooperation

188. The secretariat, through the Statistics Division and SIAP, works closely with member States and development partners to improve the use of statistics for evidence-based decision-making and to develop and disseminate quality statistics for inclusive, sustainable and resilient societies in the Asia-Pacific region.

189. In recognition of the need to dramatically improve the availability and quality of basic statistics produced by national statistical systems as an integral part of pursuing nationally and internationally agreed development agendas, the secretariat has set two strategic goals for the region: (a) to ensure that all countries in the region by 2020 have the capability to provide an agreed basic range of population, economic, social and environment statistics; and (b) to create a more adaptive and cost-effective information management environment for national statistical offices through stronger collaboration. A range of steering and advisory groups have been established by the Committee on Statistics to oversee regional strategies and action plans towards achieving the goals for different statistical domains.

⁶⁰ E/CN.3/2014/15.

⁶¹ See E/ESCAP/70/27.

190. In support of the work of the Committee, the Commission endorsed the two strategic goals in resolution 67/11 on strengthening statistical capacity in Asia and the Pacific. To further facilitate the achievements of those goals, the Commission adopted the following resolutions: 67/10 on a core set of economic statistics to guide the improvement of basic economic statistics in Asia and the Pacific; 67/12 on the improvement of civil registration and vital statistics in Asia and the Pacific; 69/15 on implementing the outcome of the High-level Meeting on the Improvement of Civil Registration and Vital Statistics in Asia and the Pacific; and 69/16 on a core set of population and social statistics to guide national capacity development in Asia and the Pacific. The adoption of these resolutions stands to broaden the commitment of governments in recognition of the whole-of-government approach for carrying out this work.

191. Within this framework, the Statistics Division works with the Bureau of the Committee on Statistics to develop and implement regional capacity development programmes in support of achieving the two strategic goals of the Committee. SIAP provides training in support of delivering the capacity development programmes covering economic, social, population and environment statistics, ranging from fundamental to advanced and specialized levels and targeting different core skills. It also facilitates the exchange of good practices regarding leadership and management issues on modernization and implementation of national quality assurance frameworks for statistics.

192. In December 2014, the Committee on Statistics will meet to discuss progress towards achieving its goals. Also, during the year, SIAP will complete formulation of its 2015-2019 strategic plan with guidance from its Governing Council. In crafting the plan, SIAP will engage member States through a consultative process. The strategic challenges and consequent decisions on broad directions will take into account recent and emerging statistical and training developments.

Coordination of statistical training

193. In recognition of the importance of statistics training for achieving its goals, the Committee at its third session decided to establish a body (the Network) to oversee the coordination of statistical training in the Asia-Pacific region with SIAP serving as its secretariat. The overall role of the Network is to support the key regional statistics development programmes pursued by the Committee by facilitating information-sharing and promoting coordination among national statistical training institutions, regional and international statistical training providers and donor agencies that provide funding for statistical training in the region.

194. In 2014, SIAP will establish the Network by inviting statistical training institutes, member States, regional and international organizations and subregional cooperation entities that deliver training on official statistics or provide substantive resource support to statistical training activities to nominate representatives to participate in the first meeting of the Network.

195. The Network will build on existing partnerships, such as the long-standing relationships between SIAP and national statistical training institutes of the Governments of India, Indonesia, the Islamic Republic of Iran, Malaysia, the Philippines and the Republic of Korea. In addition, the Network will work with agricultural training and research institutes participating in the Asia-Pacific Regional Action Plan to implement the Global Strategy to Improve Agricultural and Rural Statistics.

Developing platforms for partnerships and networking

196. The regional statistics capacity development programmes are designed to leverage the potential of regional cooperation to deliver sustainable, effective and efficient results. The programmes enable countries to form multilateral collaborations by capitalizing on expertise in the region. In addition, by identifying countries with similar development needs, they provide opportunities for donors to maximize the impact of their support.

197. The secretariat seeks to ensure that the regional capacity development programmes complement existing national statistical development strategies, providing impetus for accelerating ongoing efforts. It also seeks to ensure that the programmes complement and support initiatives by development partners, such as ADB, Partnership in Statistics for Development in the 21st Century (PARIS21), the Secretariat of the Pacific Community and the United Nations Statistics Division. The programmes present an opportunity to build synergies among partners to improve efficiency and accelerate progress towards common goals. This aim is supported by the Partnership for Statistics Development in Asia-Pacific, which consists of international, regional and bilateral organizations and works "to improve the combined impact of capacity-building activities through enhanced coordination, synergy and complementarities among partners".

198. As an example of the use of shared goals to mobilize resources, ADB recently galvanized existing regional programmes developed under the auspices of the Committee on Statistics to initiate and secure funding for projects on the following topics: business registers; modernization of statistical production and services; and civil registration and vital statistics.

199. The Asia-Pacific Regional Action Plan to Improve Agricultural and Rural Statistics presents another successful example of this approach. Building on the respective strengths of the three main partners, ADB, ESCAP and FAO, the plan delineates the respective responsibilities of the three partners. SIAP took the lead in developing the training component and initiated its implementation in the third quarter of 2013 by conducting three regional training-for-trainers workshops in collaboration with ADB, FAO and country host agencies of the Republic of Korea, the Islamic Republic of Iran and India, respectively. As part of the training component, SIAP also collaborated with CAPSA in organizing two policy analysis workshops on food security, poverty alleviation and sustainable agriculture.

Looking ahead

200. In 2014, the secretariat will collaborate with national and international partners to carry out the implementation plan for the Regional Programme on Economic Statistics. A technical training event on national accounts, focusing on the impact of the System of National Accounts 2008 (2008 SNA) on Gross domestic product (GDP) calculations and a high-level meeting to advocate for the integrated implementation of the updated international standards on economic statistics coordinated across the providers of economic statistics will be organized in the second and third quarters of 2014, with funding from the Russian Federation and in collaboration with relevant partners. The implementation plan has been supported by SIAP, which conducted four introductory and two intermediate-level e-learning courses on the 2008 SNA during the period 2012-2013. Also three regional courses on the SNA (advanced-level) were conducted in collaboration with the Governments of India and the Republic of Korea. The SIAP courses will continue in 2014.

201. The focus of capacity-building in population and social statistics is to develop a regional strategy using the core set that was endorsed by the Commission in its resolution 69/16 and building upon a capacity framework for population and social statistics devised by the Technical Advisory Group on Social Statistics (TAG-SS). A significant element of the strategy will be a national review process also developed by TAG-SS. Pilot studies have been conducted in Bhutan and the Philippines with the aim of establishing strategic priorities for capacity-building in national statistical systems based on the capacity framework and core set.

202. The secretariat is assisting member States in meeting the need for more comprehensive and gender-sensitive statistics on women and men initially through the development of a core set of gender statistics and indicators for the Asia-Pacific region. This will be used for national policy development and to measure and monitor progress towards achieving gender equality and other global gender-related goals. A preliminary draft of the core set of gender statistics and indicators has been proposed and the first round of consultations was conducted with countries, experts and agencies at a regional consultative workshop held in Bangkok in November 2013. Following further consultations, it is expected that the revised version will be provided to the fourth session of the Committee on Statistics, which will be held in Bangkok from 16 to 18 December 2014, for further guidance and consideration. These efforts are supported through the work of SIAP, which in 2013 collaborated with the United Nations Statistics Division and the Government of Japan to conduct a four-day workshop on improving the integration of a gender perspective into official statistics.

203. In consideration of the increasing demand for environment statistics and current capacity gaps, the Committee on Statistics in December 2012 requested its Bureau to develop strategies for improving environment statistics in the region. An expert meeting, held in December 2013, will form the basis for this work, which is expected to be presented to the Committee for consideration at its fourth session. These efforts are underpinned by those of SIAP, which in 2013 initiated a series of courses on environmental statistics and the System of Environmental-Economic Accounting (SEEA). The inaugural subregional course on SEEA was conducted by SIAP and the Statistics Division in collaboration with the Statistical Training Institute of the Department of Statistics Malaysia and the United Nations Statistics Division in September 2013.

204. The Committee on Statistics at its third session decided to establish a Strategic Advisory Body on Modernization of Statistical Production and Services in Asia and the Pacific (SAB-AP) and a network of experts on modernization of statistical information systems.⁶² The first meeting of SAB-AP focused on improving data exchange among member States and recommended the creation of a second technical working group to focus on modernizing the methods of production of statistics. In 2014, the secretariat will work with the SAB-AP to establish this new working group and design a work programme. The joint ECE/OECD/Eurostat/ESCAP/ADB Meeting on Management of Statistical Information Systems (MSIS), scheduled to be held simultaneously in Dublin and Manila from 14 to 16 April 2014, is expected to contribute to this effort.

⁶² See E/ESCAP/69/13.

C. Issues for consideration by the Commission

205. The Commission may wish to review and consider actions in reference to the Ministerial Conference on Civil Registration and Vital Statistics in Asia and the Pacific, as follows:

(a) Take note of the need for multisectoral consultations prior to the Ministerial Conference and in this regard support the organization of a regional preparatory meeting in August 2014 and provide further guidance to the secretariat on the preparatory process;

(b) Take note of the importance of ministerial-level representation at the Ministerial Conference for endorsement of the regional action framework and prepare its delegations accordingly.

206. The Commission may further wish to express its appreciation to the Government of the Philippines for its offer to host the Ministerial Conference in Manila, the Philippines.

207. In reference to the deliberations on the development agenda beyond 2015, the Commission may wish to consider actions to ensure that statistics development is featured prominently as an objective in the agenda in order to support calls by the Secretary-General's High-level Panel of Eminent Persons for a "new data revolution" and to provide support and guidance on ensuring that necessary investments in national statistical systems are made for the implementation of the agenda.

Section VIII

Subregional activities for development

A. Subregional Office for the Pacific

208. The subprogramme addresses challenges faced by Pacific small island developing economies, of which 12 are members and 7 are associate members of ESCAP. Among them, five economies are considered least developed: Kiribati; Samoa; Solomon Islands; Tuvalu; and Vanuatu.

209. Pacific island economies continue to face significant challenges in their efforts to build resilience and make progress towards sustainable development, with the leaders of these economies acknowledging that climate change is the greatest threat to the livelihoods, security and well-being of the people of the Pacific. Existing economic and social challenges faced by Pacific island countries will be severely exacerbated by climate change. The impacts of climate change are already undermining development progress and increasingly threaten populations and the territorial integrity of low-lying atolls. Progress in achieving the Millennium Development Goals has been patchy, with no Pacific island economy appearing to be in a position to achieve all of the Goals by 2015. Structural challenges constrain economic growth opportunities and opportunities for growth through the sustainable exploitation of natural resources could be strengthened through better management. A high quality of growth in its three dimensions — economic, social and environmental — is critical to the subregion, given its high economic and social vulnerability and dependence on natural resources.

210. Effective policymaking in the Pacific subregion for integrated sustainable development is reliant on better understanding of the true costs and benefits of policy choices. Excluding adequate consideration of these

fundamental dimensions of sustainable development in national planning, implementation and budgetary processes limits the ability to balance national planning priorities and achieve national development goals in the medium to long term. A holistic and integrated approach to sustainable development, as called for in "The future we want",⁶³ was reinforced by Pacific island leaders during the preparations for the Third International Conference on Small Island Developing States. During the preparations the need for a "data revolution" and "transformational change" in the efforts to achieve sustainable development was emphasized.

211. The secretariat has been active in supporting the implementation of the outcomes of the United Nations Conference on Sustainable Development in the Pacific, with substantial progress made in efforts to institutionalize integrated sustainable development planning and policy implementation. As a result of closer collaboration among the Subregional Office and the substantive divisions and with regional organizations, donors and Pacific island governments, the secretariat has boosted the capacity of Pacific island governments to formulate and implement inclusive and sustainable development policies and practices. The secretariat was instrumental in facilitating the Pacific regional preparatory meeting for the Third International Conference on Small Island Developing States, which was held in Nadi, Fiji, from 10 to 12 July 2013. The end result of the meeting was the Nadi Outcome Document,⁶⁴ in which a consolidated position for the subregion is presented for the Conference. The secretariat is supporting the implementation in the subregion of SEEA, which provides a framework for compiling environment statistics that can be used by policymakers, including those in the ministries of finance and planning, to make balanced policy choices in pursuit of sustainable development. The secretariat also continues to support extended to the Government of the Solomon Islands to enhance capacity in implementing national development plan policies through joint collaboration between the secretariat and the Pacific Islands Forum Secretariat under the Cairns Compact.⁶⁴

212. The secretariat has also responded to the urgent need to address the rapid and slow onset impacts of climate change on vulnerable populations as part of its overall efforts to achieve sustainable development. It has initiated the implementation of a European Union- funded project to enhance the capacity of Pacific island economies to address the impacts of climate change on migration. Led by ESCAP, in collaboration with the International Labour Organization and the United Nations Development Programme, the project is aimed at creating a framework for the management of climate change induced migration at the national and subregional levels in the Pacific. The secretariat also helped facilitate a post-disaster needs assessment for Fiji, which has enhanced the capacity of the Government of Fiji to address the short and medium-term action required for human recovery after the destructive flooding encountered in 2013.

213. The secretariat has made progress in supporting the social dimensions of sustainable development in the Pacific. Through direct assistance from the secretariat, at least nine Pacific island members and associate members have been able to review their national disability approaches and draft new policies as required. There has also been a substantial increase in donor resources for

⁶³ See www.sids2014.org/content/documents/233Pacific%20Outcome%20Chairs%20Revised%20Final%20Version.pdf.

⁶⁴ See www.forumsec.org/resources/uploads/attachments/documents/Cairns%20Compact%202009.pdf.

disability work in the subregion, including strengthening the Pacific Disability Forum, to continue much of the work which had been provided by the secretariat. The secretariat has also made a valuable contribution in the areas of ageing policy, gender costing and youth.

214. In recognition of the importance of energy security to sustainable development, at the Asian and Pacific Energy Forum, held in Vladivostok May 2013, Pacific delegates succeeded in gaining support for data sharing in support of energy security as part of the Asian and Pacific Energy Forum Plan of Action (2014-2018).⁶⁵ Following this, the secretariat facilitated the process of 11 Pacific leaders signing a declaration to establish the Pacific Regional Data Repository for Sustainable Energy for All at the General Assembly in New York on 27 September 2013 with the Secretary-General.

215. In the past, the Pacific subregion has been referred to as the "silent P" in ESCAP. The secretariat continues to work directly with representatives of national Governments and other stakeholders in the Pacific to raise the subregion's visibility, concerns and development interests at the regional and global levels. Success in this endeavour has been supported through the secretariat's proactive approach in seeking points of convergence. In dealing with entities of the United Nations and the Council of Regional Organizations of the Pacific (CROP), the secretariat supported the implementation of the quadrennial comprehensive policy review, which contains an outline of the modalities of cooperation and coordination with entities of the United Nations development system at the regional and global levels.⁶⁶

216. Being an active member of the United Nations Country Team, the United Nations Development Assistance Framework for the Pacific subregion and the CROP Sustainable Development Working Group has enabled the secretariat to leverage its limited personnel and financial resources effectively. The secretariat serves as a key regional coordinator of sustainable development activities, including green economy policies, and of the process associated with the Commission on Sustainable Development, including the preparations for the Third International Conference on Small Island Developing States, the development agenda beyond 2015 and the High-level Political Forum on Sustainable Development, both within the United Nations system and with CROP mechanisms.

B. Subregional Office for East and North-East Asia

1. Introduction

217. The East and North-East Asian subregion faced strong economic headwinds in 2013, affected by sluggish recovery in developed markets, and rising economic uncertainty. Although slightly better than in 2012, growth remained slower than pre-crisis rates for most of the economies in the subregion, accentuating the need to find new approaches and strategies that would help the subregion adopt a sustainable development path.

⁶⁵ See E/ESCAP/CED(3)/2, para. 11.

⁶⁶ See General Assembly resolution 67/226.

2. Key issues, challenges and responses

(a) Strengthening and measuring regional integration

218. With the slowdown of economic growth in major trading partners, the subregion has been facing an increasingly challenging external environment. Nonetheless, actual intrasubregional trade has been lower than what it potentially could be. In terms of trade connectivity, however, the subregion is possibly better integrated with the global economy than individual economies are with each other.

219. Stronger regional cooperation and integration can be part of the solution to reduce risks associated with dependence on developed markets. In 2013, the secretariat began to undertake a research project on measuring and monitoring regional integration across the three pillars of sustainable development in the subregion. The results will be launched in a publication in 2014 and will serve as the basis for tracking progress made and for identifying priority areas for greater cooperation. Improving connectivity and access to markets is a critical element of narrowing the development gap among the economies in the subregion. In 2013, the secretariat, in collaboration with the Greater Tumen Initiative, promoted active dialogue and cooperation on trade facilitation issues among member States through an annual trade facilitation forum. In addition, the secretariat carried out activities to support the implementation of resolution 68/3 on enabling paperless trade and the cross-border recognition of electronic data and documents for inclusive and sustainable intraregional trade facilitation.

(b) Improving environmental sustainability

220. The subregion's share of the world fossil fuel consumption is almost 30 per cent, and its share of greenhouse gas emissions is at a similar level. In this regard, making cities — major consumers of resources — greener is critical in determining environmental sustainability. The subregion is also facing a significant challenge in regard to sustainable land management, including desertification of roughly 72 per cent of the total territory of Mongolia, and biodiversity conservation, including endangered species, such as tigers, leopards and migratory birds, which often requires effective transboundary cooperation. Furthermore, the subregion must urgently work towards achieving sustainable management of coastal and marine environment due to the high consumption of fishery and marine resources.

221. As the secretariat for the North-East Asian Subregional Programme for Environmental Cooperation, the Subregional Office continued to assist member States in strengthening environmental cooperation through knowledge-sharing, capacity-building and joint field projects. New initiatives were made in the areas of low-carbon cities, nature conservation, transboundary air pollution and marine environment. Examples of these activities are as follows:

(a) Low carbon cities: The secretariat's work on developing a subregional partnership received support from member States and an international symposium on realizing low carbon cities in North-East Asia was held in Beijing on 5 and 6 December to further elaborate the partnership;

(b) Nature conservation: The secretariat assisted member States in launching two new initiatives: the conservation of the habitats of migratory birds and DNA analysis of tigers and leopards to strengthen science-policy linkages for effective protection measures;

(c) **Transboundary air pollution:** A new joint work aimed at strengthening a technical and policy framework on the assessment and abatement of transboundary air pollution was agreed by member States;

(d) **Marine environment:** The secretariat, in consultation with member States and relevant multilateral programmes, developed and facilitated the launch and implementation of the North-East Asia Marine Protected Areas Network.

(c) Addressing emerging social challenges

222. The subregion continues to have wide socioeconomic disparities within national borders. The speed of ageing in the subregion is the fastest in the world, and the unmet needs of older persons are likely to affect inclusive and sustainable development. In addition, gender equality remains a challenge with regard to political representation, the gender wage gap, and gender equality rankings (Millennium Development Goal 3). As the youth population in some member States of the subregion is declining rapidly, which may result in "population onus", intergenerational solidarity is becoming increasingly important in paving a path towards sustainable development.

223. In order to promote inclusive and sustainable societies, viewing vulnerable groups as beneficiaries of social welfare needs to be complemented by efforts to leverage their knowledge and skills towards societal progress. As a follow-up to the Asian Symposium on Building Sustainable Ageing Societies, which was held in Changchun, China, on 5 and 6 July 2012, the secretariat has been building a knowledge-sharing platform on the same topic with a database containing emerging good practices from the subregion. In order to enhance the participation of women in development, the secretariat is promoting gender mainstreaming in its activities. The secretariat also organized a youth forum in the Russian Federation to promote youth participation in the implementation of the outcome of the United Nations Conference on Sustainable Development, in which youths from North-East Asia and Central Asia cooperated in adopting resolutions pertaining to youth.

(d) Promoting disaster resilient societies

224. Most countries in the subregion have maritime boundaries with the East and South China Sea. As a result, they are vulnerable to water-related disasters, such as floods, storms and tsunamis, as well as earthquakes. In time, due to climate change and rapid urbanization, water-related disasters and sediment-related disasters will increase. Of note, Mongolia has a distinct hazard profile. The most devastating disasters affecting the country are related to drought and dzud (extreme winter phenomenon).

225. In response to the increased exposure of the subregional economies to extreme hazard events, the secretariat stepped up its efforts to promote subregional cooperation on disaster risk reduction in 2013. The secretariat, acting on a request from Mongolia for technical assistance, developed a multi-year project to enhance the country's capacity to monitor and detect drought and dzud. A kick-off meeting was held with regional experts on space technology and GIS to discuss indicators for analysing and monitoring drought and dzud. This project will serve as a pilot for utilizing and operationalizing RESAP. Furthermore, the secretariat initiated a project on building resilience to disasters by improving disaster data.

3. Issues for consideration

226. The Subregional Office is committed to strengthening subregional cooperation within a regional framework by: (a) providing regular analysis of socioeconomic-environmental trends and priorities in the subregion; (b) ensuring balanced delivery of technical assistance through more in-depth and focused capacity-building activities; (c) strengthening working relations with multilateral organizations and other relevant partners; (d) supporting intergovernmental processes; and (e) acting as a knowledge hub for gathering and disseminating good practices related to development policy.

227. In this regard, the Commission may wish to provide guidance on the thematic areas, approaches, and subregional and national partners in order to respond effectively and efficiently to the above-mentioned mandates given by member States.

C. Subregional Office for North and Central Asia

228. The ESCAP Subregional Office for North and Central Asia was established to better address the development priorities of member States, to promote knowledge-sharing and subregional cooperation for advancing inclusive and sustainable development, to strengthen partnerships with major stakeholders and to further enhance the relevance of the work of ESCAP in the subregion. It also coordinates the activities of the United Nations Special Programme for the Economies of Central Asia (SPECA), serving as an important link between member States and ESCAP and ECE. The Subregional Office was officially inaugurated in November 2013 by the Deputy Executive Secretary of ESCAP and high-level officials of the Government of Kazakhstan, with the participation of representatives of member States and international organizations.

229. The North and Central Asian subregion comprises Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, the Russian Federation, Tajikistan, Turkmenistan and Uzbekistan. Most of these countries are landlocked. Afghanistan participates in the activities of the Subregional Office as a member of SPECA. The subregion continues to face a number of challenges, such as achievement of the Millennium Development Goals, barriers to trade, transport and ICT connectivity, management of water and energy resources, climate change and environmental degradation and risk of natural disasters. These challenges are better addressed through strengthened subregional cooperation, stronger collaboration among neighbours within the subregion and increased integration of the global economy.

230. The Subregional Office is well-positioned to address the constraints, challenges and key development gaps in the following areas:

(a) Formulation and implementation of policies that address varied development challenges, including achievement of the Millennium Development Goals, and enable the countries to build an inclusive society and reduce poverty;

(b) Transport and trade facilitation, including with Afghanistan;

(c) Strengthening subregional cooperation mechanisms in transport, trade, ICT, water infrastructure management, energy efficiency, knowledge-based development and disaster risk reduction.

231. In this time of transition, the subregion is facing an ever-growing number of transboundary issues, including, among them, financial crises, food

price volatility, energy and water insecurity, and climate change. Following the United Nations Conference on Sustainable Development, it has been acknowledged that challenges and opportunities have moved beyond the narrow confines of national boundaries. Consequently, the focus on balancing sustainable development and the development agenda beyond 2015 has become very important.

232. Regional economic integration has become ever more important in finding new drivers of regional growth in support of shared and sustained prosperity. National and even bilateral approaches alone are no longer sufficient to address these challenges. Regional solutions through regional cooperation can be the way to forge more sustainable economic growth, close development gaps and reduce inequality and poverty. In addressing the development needs of the countries of North and Central Asia, it is necessary to promote connectivity of these countries to high-growth economies and to build partnerships for development, including South-South cooperation and regional cooperation.

233. SPECA serves as a platform for member States to discuss and formulate various approaches towards the development of a cooperation framework. By participating in a number of project working groups, the SPECA economic forums and sessions of the SPECA Governing Council, member States have the opportunity to share experiences and lessons learned in the areas covered by SPECA, such as transport, trade, water and energy resources, knowledge-based development, statistics, gender and economy. The 2013 SPECA Economic Forum was held in Almaty, Kazakhstan, from 19 to 21 November under the theme "Inclusive and sustainable development through regional cooperation". During the expert segment of the Forum, promotion and financing of green technologies was discussed. The segment's participants emphasized that environmental challenges require innovative policy responses that reconcile the need for sustained improvement in living standards with the need to reduce unsustainable use of resources and to address climate change. Governments can implement various strategies for promoting more resource efficient and less environmentally damaging green technologies. The topics of discussion during the high-level segment of the Forum were the regional aspects pertaining to the implementation of the outcomes of the United Nations Conference on Sustainable Development and the regional approach to the development agenda beyond 2015. The member States fully supported the having sustainable development at the core of the development agenda beyond 2015, as called for in "The future we want".⁶⁷

234. In "The future we want", heads of State and Government and high-level representatives emphasized that sustainable development must be inclusive and people-centred. In this regard, it is important for the subregion to carry out work aimed at strengthening the management of water resources at all levels, ensuring environmental protection and sustainable development, especially the implementation of integrated water resources management (IWRM) principles included in the priorities of the International Decade for Action "Water for Life" (2005-2015).⁶⁷ During a subregional training on IWRM organized by the Subregional Office, in close collaboration with the Executive Board of the International Fund for Saving the Aral Sea, in Almaty, Kazakhstan, on 21 November 2013, member States adopted recommendations on the coordinated management of water resources and land use aimed at improving social and economic development without harming the sustainability of vital ecosystem elements.

⁶⁷ See General Assembly resolution 58/217.

235. At a subregional seminar entitled "From Rio+20 to Real Outcomes: Strengthening Regional Cooperation in Water Management in North and Central Asia", member States developed recommendations and proposals for further strengthening cooperation in the field of distribution and management of water resources. The Subregional Office organized the event, which was held in Almaty, Kazakhstan, from 18 to 20 November 2013.
236. The Subregional Office has been closely involved in promoting energy security in North and Central Asia through regional cooperation and in improving access to clean and efficient forms of energy for sustainable and inclusive growth. During a subregional expert group meeting on the theme of "Energy for sustainable development: Policy dialogue on opportunities for cooperation in North and Central Asia", which was held parallel to the seminar mentioned above, member States discussed issues related to energy sector development, including the current status of the energy sector and its contribution to a country's social and economic development, its energy production and consumption patterns, energy tariffs, tariff-setting and subsidies systems, sources of energy-sector funding, energy efficiency potential, basic legal frameworks for energy sector regulation and promoting energy efficiency and renewable energy, power infrastructure (existing and development plans), existing mechanisms of energy cooperation with other countries and current energy challenges, achievements and development plans. The dialogue contributed to the implementation of decisions adopted at the Asian and Pacific Energy Forum.
237. The North and Central Asian subregion is exposed to a variety of extreme weather-related hazards, such as earthquakes, landslides, mudflows, avalanches, wildfires, floods and drought. At the same time, the most severe economic damage is caused by dangerous hydrometeorological hazards (events). The negative effects of these hazards equate to 0.4-1.3 per cent of member countries' total GDP. Most of these effects can be prevented. By increasing the efficiency of work done by hydrometeorological services, losses could be significantly decreased. It is important that efforts on disaster risk reduction be mainstreamed into policies, plans and programmes for sustainable development based on bilateral, regional and international cooperation. In this regard, the Subregional Office has helped strengthen the capacity of countries by organizing subregional meetings and trainings in 2013 on strengthening cooperation for disaster risk reduction in North and Central Asia in cooperation with Roshydromet, the Russian Federal Service for Hydrometeorology and Environmental Monitoring. During the seminars, member States obtained practical knowledge on new technologies and software related to forecasting extreme weather events. The seminars also served as platforms for raising awareness and sharing knowledge and hydrometeorological information in the subregion.
238. In 2013, the Subregional Office contributed to the concluding of a memoranda of understanding between ESCAP and the Eurasian Economic Commission and the Eurasian Development Bank that was aimed at strengthening cooperation in various spheres, including macroeconomic policies for inclusive and sustainable development of the subregion, development of transport infrastructure, energy efficiency, water management and environmental protection.
239. The importance of regional economic cooperation is recognized by member States. Better support in decision-making, including reliable statistics and economic analysis, as well as regular policy-level coordination to improve the regulatory environment and to identify and eliminate obstacles to regional

cooperation, would help in translating general political will into effective policies.

D. Subregional Office for South and South-West Asia

240. South and South-West Asia continues to be one of the most dynamic subregions of the world even though its growth rate slowed further in 2013 as the world economy passed through a difficult phase of the financial crisis. Monetary policy changes in the advanced economies put pressure on the exchange rates of the economies in the subregion and brought instability in the capital markets in the subregion's emerging economies through volatility of short-term capital flows. The ability of the Governments to stimulate growth was constrained by persistent inflationary pressures. Although there are indications that the worst may be over and 2014 may see better growth rates, sustaining growth and development gains requires managing the key challenge of strengthening domestic growth engines through inclusive policies and regional economic integration as a part of rebalancing the sources of growth. South and South-West Asia is one of the least integrated subregions in the world. In addition, the four least developed countries in the subregion, three of which (Afghanistan, Bhutan and Nepal) are also landlocked, have particular needs for further international support to overcome the obstacles they face.

241. The subregion has made only mixed progress in achieving the Millennium Development Goals. Despite being on track to meet the poverty target, it remains home to the world's largest concentration of poor people, with efforts to eradicate hunger and ensure access to basic sanitation set to fail to achieve their targeted levels. Child and maternal mortality rates in the subregion are also among the world's highest. Large inequalities and disparities in gender, social status, education and health persist. Expansion of programmes for poverty reduction, as well as increasing quality education and ensuring universal access health care and access to safe drinking water, sanitation and electricity can help close those gaps.

242. Through the Subregional Office for South and South-West Asia, which was established in December 2011, the secretariat has actively supported capacity development for inclusive growth and the achievement of the Millennium Development Goals. Among the areas covered in those activities are women's empowerment, strengthening regional transport connectivity, trade and transport facilitation to foster regional economic integration, regional cooperation for food and energy security and for disaster risk reduction and implementation of the Istanbul Programme of Action¹¹ and the Almaty Programme of Action. The analysis of development challenges and policy options presented in the ESCAP publication the *South and South-West Asia Development Report 2012-13* continued to inform the policy advocacy and capacity development activities undertaken under the subprogramme. ESCAP analysis has shown that the subregion needs to focus on productive job creation through appropriate structural change to reduce poverty, hunger and inequalities, especially in the context of youth bulge. To assist in promoting job-creating growth, a subregional policy research and capacity-building network on employment and social protection for inclusive growth was launched by the Subregional Office in 2013 in collaboration with the South Asia Team of ILO and think tanks across the subregion. In 2013, the Subregional Office also provided demand-driven capacity development assistance for Millennium Development Goal-consistent macroeconomic modeling for national planners in member States. In 2014, it will continue to provide such assistance and plans to facilitate consultations regarding the subregional perspective on the development agenda beyond 2015. The Subregional Office has brought together associations of women entrepreneurs

and policymakers from across the subregion to share best practices and discuss policy options for developing a women-friendly ecosystem for entrepreneurship.

243. The secretariat is seeking to exploit the potential of regional economic integration in South and South-West Asia through analysis and policy dialogues that highlight the opportunities and policy options for promoting regional trade and production networking. Apart from policy advocacy, the secretariat's approach for promoting regional economic integration has been to support regional transport connectivity and trade facilitation. Better connectivity across South and South-West Asia and beyond, in addition to facilitating intraregional trade, could harness the subregion's strategic location to emerge as a hub of economic activity. To support member States in building their capacity for strengthening regional transport connectivity, the secretariat launched, in collaboration with government agencies, a series of demand-driven policy dialogues in 2013, beginning with one in Dhaka followed by another on in Lahore, Pakistan. The dialogues were aimed at engaging policymakers in a discussion that focused on the potential of stronger regional connectivity and facilitation, and policy options, and served as a platform for sharing the secretariat's analysis, tools and proposals on promising regional corridors and on efficient cross-border movements. During the dialogues, the secretariat's proposal to develop a connectivity master plan for the subregion in consultation with relevant stakeholders was endorsed. The secretariat also facilitated capacity-building activities on exploiting the potential of connectivity for development of border regions in eastern South Asia. Participants in these activities were from Bangladesh, Bhutan, Nepal and the north-eastern states of India. The Subregional Office will continue in its effort to support stronger subregional connectivity in 2014 and 2015.

244. On the topic of regional cooperation in food security, the Subregional Office organized a high-level policy dialogue in New Delhi followed by several panel discussions in Colombo and Islamabad. A 10-point agenda resulting from the policy dialogue presents a milestone in shaping the secretariat's future work on regional cooperation for food security in South and South-West Asia. The Subregional Office continues to support regional energy cooperation. In that function, it facilitated the articulation of the subregional perspective on energy security at the Asia-Pacific Energy Forum.

245. The secretariat is supporting member States in the area of disaster risk reduction through the sharing of good practices, regional information management, adoption of new technologies and early warning systems. Expert group meetings and capacity development activities in this area have been planned for 2014 in collaboration with regional partners and specialists.

246. The Subregional Office and the Geneva-based International Trade Centre have initiated a joint programme to strengthen the negotiating capacity of Afghan officials and other stakeholders and assist in the implementation of WTO commitments through workshops. Positive feedback from this activity has prompted the organizers to continue this activity semi-annually. The Subregional Office prepared a report entitled "Doing business with Afghanistan: Harnessing Afghanistan's economic potential", which was used to inform a business conclave on facilitating investment in the country.

247. The Subregional Office will continue to scale-up its delivery of knowledge-sharing tools to policymakers in the subregion. Its knowledge products, namely the *South and South-West Asia Development Report* (biennial), the monthly *South and South-West Asia Development Monitor*, the ESCAP-SSWA *Policy Briefs* series, and the *South and South-West Asia*

Development Papers series, will continue to provide new analyses and policy recommendations and share good practices and lessons learned on the thematic priorities for the subregion. The emphasis on developing partnerships with the secretariats of the Economic Cooperation Organization (ECO) and SAARC along with other stakeholders will continue in order to exploit synergies and to enhance the effectiveness and outreach of ESCAP activities. The process of annual consultations and collaborative work with SAARC, launched in 2013, will be deepened.

E. Issues for consideration by the Commission

248. The Commission may wish:

(a) To ascertain the views and experiences of members and associate members concerning the issues and challenges identified by the subregional offices;

(b) To identify priorities and provide the secretariat with further guidance on the approaches and modalities it wishes the secretariat to follow in its future work, taking into account the different subregional perspectives and priorities;

(c) To encourage members and associate members to enhance subregional cooperation and incorporate it into relevant sustainable development planning processes;

(d) To provide the secretariat with further guidance on how to strengthen sustainable and inclusive development outcomes at the subregional level.

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Item 3 of the provisional agenda

**Review of issues pertinent to the subsidiary structure
of the Commission, including the work of the regional
institutions****Subprogramme overview: issues and challenges related
to inclusive and sustainable economic and social
development in Asia and the Pacific****Note by the secretariat****Corrigendum****1. Corner notation**

The venue and date should read as above.

2. Paragraph 121 should read:

121. As the agenda of the United Nations Conference on Sustainable Development is being implemented and the transition to the development agenda beyond 2015 and the Hyogo Framework for Action 2 are ongoing, there is yet to be a clear framework on how to monitor resilience. Pursuant to Commission resolution 69/12 on enhancing regional cooperation for building resilience to disasters in Asia and the Pacific, the Committee on Disaster Risk Reduction requested, at its third session, that the secretariat work towards monitoring more effectively the resilience of member States to disasters, including through the development of an agreed, basic range of disaster-related statistics in close coordination with the Committee on Statistics. This recommendation is particularly relevant in the light of Commission resolution 67/11 on strengthening statistical capacity in Asia and the Pacific. In partnership with relevant United Nations agencies, the secretariat has organized two expert groups, which have undertaken five country studies on disaster-related data and statistics, and has developed a road map to highlight the topic of resilience monitoring at relevant regional and global policy forums. The result of this work will help member States in building their resilience and contribute to ongoing negotiations of the Hyogo Framework for Action 2 and the development agenda beyond 2015.

3. Paragraph 122 should read:

122. The theme study for the sixty-ninth session of the Commission, on building resilience to natural disasters and major economic crises, and the follow-up work by the secretariat have increasingly reoriented the region's policy discourse from a post-disaster response approach towards a more comprehensive agenda of building long-term resilience to disasters. As a result, more than 200 government officials and experts from the planning, finance, environment and disaster risk reduction sectors deliberated and made recommendations to the Committee on Disaster Risk Reduction at its third session, which was held in Bangkok from 27 to 29 November 2013. They emphasized the urgent need for monitoring resilience, improving disaster-related statistics, integrating disaster risk reduction and climate change adaptation, and developing a strategic voice for the region in global forums for the development and risk reduction agendas beyond 2015.⁴⁷

4. Paragraph 143(a) should read:

(a) Endorse the recommendations made by the Committee on Disaster Risk Reduction at its third session, in particular, its request to the secretariat to work towards monitoring of resilience, including through joint work with the Committee on Statistics on establishing an agreed, basic range of disaster-related statistics. The Commission may wish to consider forming a working group under the joint auspices of the Committee on Statistics and the Committee on Disaster Risk Reduction;

⁴⁷ See E/ESCAP/70/14.



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Subprogramme overview: issues and challenges related to inclusive and sustainable economic and social development in Asia and the Pacific

Note by the secretariat

Corrigendum

Section VII - Statistics

1. Page 41

Delete paragraph 173 which reads "In January 2014, the Government of the Philippines generously offered to host the ministerial conference in November 2014".

2. Page 47

Delete paragraph 206 which reads "The Commission may further wish to express its appreciation to the Government of the Philippines for its offer to host the Ministerial Conference in Manila, the Philippines."

^{*} E/ESCAP/70/L.1/Rev.1/Add.1.